



REMUNERATION REPORT

for the year ended 31 December 2021

JS 

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REPORT OVERVIEW

Report objectives

This report is intended for our shareholders. It aims to communicate the JSE Limited’s (the Group or the JSE) remuneration policy and how we implemented our remuneration policy and practices in 2021. Our organisation-wide remuneration policy should be read in the context of the integrated annual report for an appreciation of how the policy gives effect to the JSE’s overall business strategy.

This report serves as the report-back to shareholders at the annual general meeting (AGM) to be held on Tuesday, 3 May 2022. The following four remuneration-related resolutions will be tabled at the AGM for consideration by shareholders:

- Advisory vote on remuneration policy (AGM non-binding advisory resolution number 1). Refer to the remuneration policies on  page 10.
- Advisory vote on implementation of remuneration policy (AGM non-binding advisory resolution number 2). Refer to the implementation report on  page 27.
- Approval of specific authority to provide financial assistance to directors solely for the purposes of the LTIS 2018 Trust (AGM special resolution number 3). Refer to the remuneration policies on  page 16.
- Approval of non-executive director emoluments (AGM special resolution number 4). Refer to the remuneration policies on  page 24.

Various statutory disclosures, which are subject to independent audit, are contained in notes 19 and 23 of the JSE’s audited consolidated annual financial statements for the year ended December 2021. For a complete view of the JSE’s remuneration, shareholders are encouraged to reference these notes when reviewing this report.

The JSE strives to improve on the quality of our reporting. We welcome feedback from stakeholders on this report and invite you to contact ir@jse.co.za should you have any questions or recommendations.

Scope and boundary

The information in this report covers the period from 1 January 2021 to 31 December 2021. It encompasses the five financial markets operated by the Group, and the investor protection funds¹ associated with its markets.

The JSE’s remuneration reporting framework is informed by a range of local and international requirements, standards and guidance, including, but not limited to:

- South African Companies Act, 71 of 2008 (as amended) (Companies Act)
- JSE Limited Listings Requirements (Listings Requirements)
- King Code on Corporate Governance™ for South Africa, 2016 (King IV)²

Assurance over this report

The Board is responsible for the governance of remuneration at the JSE and sets the overarching remuneration philosophy for the Group. The Board is assisted in discharging its responsibility for remuneration matters by the Group Remuneration Committee (Group Remco).

¹ These funds consist of the JSE Guarantee Fund Trust, the JSE Derivatives Default Fund Trust, and the JSE Debt Guarantee Fund Trust.

² Copyright and trademarks are owned by the Institute of Directors in South Africa NPC and all of its rights are reserved.

Our reporting suite

The JSE is committed to reporting in a transparent manner to our broad range of stakeholders. Our reporting suite is available on our website <https://www.jse.co.za/investor-relations/results> and comprises the following reports:

Remuneration report

Sets out the JSE's remuneration philosophy and policy, and how it was implemented in 2021.

Integrated annual report

Sets out how the JSE creates value in the context of our business model, strategy, operating context, governance and operational performance.

Sustainability report

Sets out details of our journey towards delivering on our sustainability mandate and our impact on society.

Annual financial statements





Sets out our financial results, with the GAC report, directors' report and annual financial statements prepared in accordance with IFRS.

Notice of AGM and proxy form

Sets out the notice of the JSE's annual general meeting of shareholders to be held on Tuesday, 3 May 2022, together with the summarised report containing the required financial disclosures.

Disclaimer

Many of the statements in this report constitute forward-looking statements. These are not guarantees or predictions of future performance. The information on which forward-looking statements were based was not audited. Like all businesses, the JSE faces risks and other factors outside of its control. This may lead to outcomes unforeseen by the Group. These are not reflected in the report. Readers are cautioned not to place undue reliance on forward-looking statements.

-  Page reference for additional reading in this report.
-  Reference to online data at <https://www.jse.co.za/investor-relations/results>.
-  Indicates the relevant King IV principle, which is summarised on  page 140.

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BACKGROUND STATEMENT**Nolitha Fakude**

*Chairman: Group
Remuneration Committee*



The JSE's remuneration philosophy is founded on enduring principles, which are applied consistently each year. This philosophy seeks to engender a culture of enterprise, diligence and delivery throughout the Group, with an explicit linkage between pay and performance.

Dear Shareholders

I am pleased to present the JSE's remuneration report for the year ended December 2021.

The Group Remuneration Committee (Group Remco) has had a demanding agenda in 2021. Our principal focus has been directed to a comprehensive review of the JSE's remuneration policies, and in particular our variable-pay models and practices. This holistic review was informed by our engagements with institutional shareholders during the course of 2021, as well as feedback from management on their challenges in retaining and incentivising top performing staff. The insights shared by our shareholders have been enormously helpful in shaping improvements to our remuneration policy. The updated policy is set out in this report for consideration and endorsement by shareholders at the JSE's annual general meeting (AGM) to be held on Tuesday, 3 May 2022.

Other highlights from our 2021 programme of work include an independent examination of our pay data to identify any pay disparities. The principle of *equal pay for work of equal value* is a key element of the JSE's value system and I am pleased that we were able to make the necessary adjustments to total guaranteed pay (TGP) for the relevant staff members where this was merited by the review.

In addition to these initiatives, Group Remco has successfully discharged the remainder of its planned activities for 2021.

We are of the view that our remuneration philosophy and framework remain fit-for-purpose and that the proposed enhancements to our policies will continue to position the JSE as an employer of choice, able to attract and retain high-calibre talent to deliver on our purpose as a critical service provider to South Africa's financial markets.

BACKGROUND STATEMENT continued

Operating context

Exchanges and clearing houses are critical role-players in a market economy, fostering economic growth and strengthening market integrity. As market infrastructures, they enable the efficient allocation of capital by providing the marketplaces for raising capital and to connect buyers and sellers.

As a licensed financial market infrastructure provider, it has been imperative that the JSE remained open, operational, and responsive to fluctuations and risks in the market during a period of unprecedented challenge. Our key priority as an organisation over the past two years has been to ensure the safety and health of our staff, and to enable the effective operation of the Group via remote working. We have kept investing in technology, resilience, latency and security as well as our people, and the real-world stress tests of these past two years have proved the value of those investments.

Highlights in 2021 include:

- Maintained operational resilience and robustness, with 99.85% systems availability in 2021 (2020: 99.97%), and with fewer priority one incidents than in 2020.
- Maintained local market share of 99.75% by value traded, underpinned by deep market liquidity, competitive pricing, robust technology as well as integrated trading and Post-Trade Services.
- Delivered the in-house migration of the JSE's back-office services system, BDA, onto JSE IaaS hosted at the JSE data centre.
- Launched the first phase of our market data and trade analytics platforms and delivered high-profile rejuvenation and upgrade projects, including the MillenniumIT (MIT) upgrade and the real-time clearing (RTC) hardware replacement – a crucial piece of work to upgrade existing hardware in the clearing system.
- Focused resources on cybersecurity so as to build resilience against ransomware and malicious attacks.
- Acquired the minority stake in JSE Investor Services (JIS) and integrated the share plan services administration business from Investec Share Plan Services (ISPS), as well as completing the investment in Globacap.
- Secured a financial services provider (FSP) licence for JSE Private Placements (JPP), which will facilitate the delivery of a technology platform and services to support the growth in private capital raising for both equity and debt in South Africa.
- Listed the first social bond and self-labelled sustainability-linked bond on the JSE's sustainability segment.
- Achieved record high Net Promoter Score (NPS) and staff engagement scores.

GROUP REMCO AREAS OF FOCUS IN 2021

- ✓ reviewed grading and benchmarking outcomes for all executive roles (as prepared by the committee's independent advisors), and determined the overall TGP adjustments for all staff, including for subsidiary companies JSE Clear and JSE Investor Services
- ✓ approved the corporate scorecard for 2021 and assessed corporate performance against this scorecard
- ✓ determined the annual discretionary bonus pool for 2021
- ✓ approved all LTIS 2018 share awards and critical scheme cash awards
- ✓ determined the vesting percentage for the long-term share awards vesting in 2021
- ✓ engaged key institutional shareholders via a roadshow and worked with our independent remuneration advisors in detailed workshops to design enhancements to JSE remuneration policies, including a new scorecard model
- ✓ reviewed leadership continuity plans, and the senior talent pipeline for the Group
- ✓ monitored employment equity progress and plans, and oversaw appointments to the executive committee
- ✓ prepared a recommendation for the Board and shareholders on non-executive director fees

BACKGROUND STATEMENT continued

As an exchange, we are focused on the factors we can influence, such as maintaining fit-for-purpose regulation and promoting the country as an attractive destination for foreign capital with deep and liquid markets. The executive team continues to work on a wide range of initiatives to strengthen the JSE's role in the local capital markets, including:

- Exploring private placements
- Growing and supporting SMEs
- Ensuring value-adding regulatory requirements
- Advancing the JSE's Sustainability Segment
- Attracting inward listings
- Supporting SA Inc

Overview of financial results

Our core business model, centred around quality earnings and strong cash generation, continues to provide a solid foundation for growth.

- The inorganic growth initiatives are starting to contribute to the Group's financial results. Operating revenue reached an all-time high, up 3% to R2.52 billion in 2021, enhanced by revenue from our acquisition of JIS. Similarly, total expenditure (including JIS on a fully consolidated basis) was well contained at 4% up year-on-year.
- Earnings before interest, tax, depreciation and amortisation (EBITDA) of R1.06 billion was unchanged year-on-year. This was attributable to disciplined cost management, a positive contribution from JIS and a rebound in value traded in H2.
- A record low interest rate environment resulted in finance income declining 27% year-on-year to R146 million, which directly impacted net profit after tax (NPAT), which was down 7% year-on-year to R722 million.
- Earnings per share (EPS) and headline earnings per share (HEPS) declined 7% and 6% year-on-year to 874.1 cents and 878.9 cents per share respectively (2020: 936.7 cents).

- Strong cash generated from operations has enabled the Board to declare an ordinary dividend of 754 cents per share for 2021, an increase of 4% year-on-year in line with the JSE's progressive dividend policy. This corresponds to an ordinary dividend pay-out of 92% of distributable profits in 2021 (2020: 83%). It is supplemented by the declaration of a special dividend of 100 cents per share (2020: NIL).
- In compliance with the provisions of the Financial Markets Act, 2012, and the risk appetite set by the Board, the JSE

Group calculates and holds regulatory capital in the form of equity capital. This amounts to R1.13 billion in total for JSE Limited and for JSE Clear, of which R789 million is held in the form of restricted cash and cash equivalents. The Group therefore remains well capitalised.

- The Group maintains a robust balance sheet (unencumbered) and holds cash reserves of R2.4 billion at 31 December 2021 (2020: R2.5 billion).

R million (unless stated otherwise)	FY2021	FY2020	% change
Operating revenue	2 517	2 446	3%
Total revenue	2 576	2 528	2%
Personnel expenses	650	601	8%
Other operating expenses	871	868	0%
Depreciation and amortisation	258	249	3%
Total expenditure	1 779	1 718	4%
Earnings before interest and tax (EBIT)	798	811	(2%)
Net finance income	146	200	(27%)
Net profit after tax (NPAT)	722	778	(7%)
EBIT margin	31%	32%	(1pt)
Earnings before interest tax depreciation and amortisation (EBITDA)	1 055	1 060	0%
Earnings per share (EPS) (cents)	874.1	936.7	(7%)
Headline earnings per share (HEPS) (cents)	878.9	936.7	(6%)
Ordinary dividend per share declared (cents)	754	725.0	4%
Special dividend per share declared (cents)	100	Nil	–
Net cash generated from operations	917	1 003	(9%)
Capital expenditure	165	89	85%

BACKGROUND STATEMENT continued

Performance and remuneration outcomes

The Group's annual financial performance targets aim for balanced operating leverage, HEPS growth year-on-year and a return on equity (ROE) of 17% – 18%.

Despite a resilient performance in 2021 with EBITDA unchanged year-on-year at R1.06 billion, operating leverage slipped to -1% and HEPS declined 6% year-on-year, largely on account of the steep decline in finance income to R146 million (2020: R200 million), a consequence of the record low interest rate environment. The business returned an ROE of 17.3%.

ROE is a key measure of financial performance as it combines all our critical drivers, including earnings growth and capital utilisation, into a single metric. For the past four years, we have recorded an average annual ROE of 19.4%. Looking forward, our medium-term target ROE range is 16% – 20%. This is lower than the previous target range of 16% – 23% given the expected economic outlook.

The Group continues to be strongly cash generative, with net cash from operations of R917 million (2020: R1.03 billion). This cash flow supports our progressive dividend policy (with the ordinary dividend up 4% year-on-year) and positions the JSE well to continue investing in those areas of our business that we believe to be critical to our long-term sustainability.

Evolving how we operate in light of COVID-19

- The advent of the virtual workspace prompted us to reimagine our work environment and some of the changes we made are likely to remain. The workplace will become less about which technology we use, and more about how we use it to enable collaborative engagements, knowledge sharing and a culture of creative thinking.
- Our employee engagement illustrated that employees are eager to explore a more flexible workplace regime. We are responding with a comprehensive plan that ensures existing policies and employee contracts are aligned with a hybrid working model.
- We made several upgrades to our premises to enable new ways of working, along with significant improvements to client-facing facilities.
- As we begin to reintroduce in-person engagements, we are focused on equipping senior leaders with the tools to support this new era and identify colleagues who are struggling.

In this context:

TGP for 2021

- Group Remco approved increases to TGP of 4.5% for 2021 (2020: 5.5%) based on benchmarking and input from the Group's remuneration advisors. For staff earning less than R350 000 per annum, the annual TGP adjustment was significantly above inflation, as part of our approach to fair and responsible remuneration.

Corporate performance for 2021

- Assessed by Group Remco as on-target, with nearly all objectives for 2021 being achieved. Group Remco awarded a discretionary bonus pool of R72.3 million, aligned to the 10% of NPAT guideline for calculating the bonus pool (although the pool was down 5% on the R76 million awarded in 2020 in line with the decline in profitability).

Long-term performance

- Group Remco determined the vesting percentage for share awards that vested in 2021, based on performance against pre-set corporate targets over the measurement period 2018 - 2020. The vesting for Allocation 1(1) was assessed at 42.93%, and the balance of the Allocation 1(1) share award was forfeited.

Malus and clawback

- No malus or clawback conditions were triggered in 2021.

Minimum shareholding requirements

- Compliance with MSR was achieved by the CFO while the Group CEO remains on track to meet an interim MSR target (as her first share award granted in 2020 will only vest in Q1|2023).

TGP for 2022

- Group Remco approved a 5% increase to TGP for 2022 (2021: 4.5%), inclusive of a pay parity adjustment of 0.94% of payroll (R3.9 million in aggregate) to address parity adjustments where merited.

Engagement with shareholders

In May 2021 we hosted a roadshow to understand our institutional shareholders' views on important governance and remuneration matters. While shareholders support our remuneration policy, some raised concerns that the remuneration structure remains too focused on the short-term. Shareholders would prefer a greater emphasis on long-term variable pay and a lower weighting of the discretionary strategic metric in the LTIS 2018 share scheme. The absence of clear metrics, targets and weightings for the annual bonus scheme was also flagged as a concern.

These are essential conversations and Group Remco is grateful for the insights shared by our institutional shareholders. In response, Group Remco undertook a comprehensive programme of work during 2021 to review the JSE's key remuneration policies and has proposed various enhancements (see later in this report).

Group Remco will continue to embrace regular dialogue with shareholders to maintain a mutual understanding of performance and value creation by the Group and the link to the remuneration policy.

BACKGROUND STATEMENT continued

Engagement with advisors

Group Remco utilises the services of PwC Reward and Bowmans as independent reward advisors. The committee is satisfied that both firms are independent and objective and that they understand the JSE's remuneration policy and the linkages to the JSE's overall strategy.

The work undertaken by these advisors encompasses policy advice, design of remuneration schemes, grading, benchmarking and pay parity analysis, as well as advice on strategic retention matters. JSE management also utilises the services of REMchannel™ for remuneration benchmarking.

In response to the concerns raised by shareholders as well as challenges flagged by management, Group Remco developed a series of policy responses in consultation with its independent advisors. The outcomes from these policy workshops in 2021 and the proposed enhancements to remuneration policy are highlighted below.

Remuneration philosophy and model

The JSE's remuneration philosophy is founded on enduring principles, which are applied consistently each year. Our remuneration philosophy applies across the organisation and informs all our remuneration policies. This philosophy seeks to engender a culture of enterprise, diligence and delivery throughout the Group, with an explicit linkage between pay and performance, in order to align the interests of staff with those of stakeholders. There has been no change in our remuneration philosophy during the year.

Our remuneration model comprises three elements, and these core elements also remain unchanged:

- **TGP** which provides a guaranteed level of earnings for all staff
- **Universal annual bonus scheme** which rewards excellent performance by staff, with the size of the bonus pool linked to the quality of the overall corporate performance of the business each year as assessed by Group Remco
- **Long-term incentives** – the LTIS 2018 share scheme and the Critical Skills cash scheme – which seek to incentivise and retain senior staff to deliver sustained excellent performance over time

Remuneration policy changes

Group Remco last undertook a meaningful revision of JSE remuneration policies in 2018 – the principal changes at that time being the shift from two annual bonus schemes to one universal discretionary bonus scheme, and the introduction of individual bonus limits.

Reward practices and incentive design evolve over time, and it was opportune for Group Remco to re-examine the JSE's remuneration policies during 2021. Further impetus came from our institutional shareholders, specifically their concerns regarding the need for a more visible and direct linkage between variable pay and performance (through clear metrics, targets and weightings for the annual corporate scorecard). Executive management also noted various challenges with the existing reward model, particularly the historical limitation on the size of the pool which restricts individual awards below the approved policy levels.

With the input and guidance of our independent remuneration advisors, Group Remco has developed several refinements to the existing remuneration policies to address all these concerns. The changes are being presented as part of the updated remuneration policy for consideration and endorsement by shareholders at the AGM to be held on Tuesday, 3 May 2022. As the changes will apply prospectively, the performance conditions for all in-flight awards will remain unchanged.

1. RIGOROUS CORPORATE SCORECARD MODEL

New corporate scorecard model will apply from 2022 and will include:

- Four focus areas, weighted as follows: Financial (45%), Protect core business (20%), Transform business (20%), Deliver sustainable marketplace (15%)
- Clear metrics and targets for both on-target and above target performance levels (per focus area)
- Modifiers (outcomes that will penalise poor performance)
- Upfront disclosure of the scorecard to shareholders

See  page 23 in this report for the 2022 scorecard

2. FUNDING MODEL FOR ANNUAL DISCRETIONARY BONUS SCHEME

- Shift from an after-tax funding model (10% of NPAT) to a pre-tax model linked to a variable percentage of PBITI (profit before interest, tax and incentives)
- Size of annual bonus pool linked to overall corporate performance per the new scorecard model (with Group Remco discretion):
 - Below target performance: 7% – 8% of PBITI
 - On-target performance: 8% – 10% of PBITI
 - Above-target performance: +10% of PBITI

3. FUNDING MODEL FOR LONG-TERM INCENTIVES

- Shift from an after-tax funding model (10% of NPAT) to a PBITI model for LTIS 2018 and the Critical Skills scheme

BACKGROUND STATEMENT continued

4. REFINEMENTS TO EXISTING MINIMUM SHAREHOLDING REQUIREMENT (MSR) POLICY

- Policy will apply only to executive directors and prescribed officers
- MSR percentage will align to the LTIS 2018 award multiples
 - Group CEO at 150% of TGP
 - Prescribed officers at 80% of TGP
- Rolling compliance period of five years from the date that a share allocation for executives vests for the first time in their hands
- Minimum level of compliance required for each year of the five-year compliance period
- Sanction for not meeting MSR is the mandatory 100% deferral into the MSR of all future share awards upon vesting until compliance achieved

5. EXTENDING MALUS AND CLAWBACK TO ANNUAL DISCRETIONARY BONUS SCHEME

- Malus and clawback conditions currently apply to share and cash awards granted under LTIS 2018 and the Critical Skills schemes
- These conditions to be applied to the annual discretionary bonus scheme as from 2022

6. REVIEW OF PEER GROUPS

No changes to the peer groups utilised for TGP benchmarking, LTIS TSR benchmarking or non-executive director emoluments benchmarking

7. REVIEW OF PAY MIX AND MEDIAN PAY POLICY FOR TGP

- Pay mix for executives considered appropriate
- TGP pay policy at median retained

The objective of these policy enhancements is to achieve a balanced outcome that is fair and responsible to all stakeholders. Total reward for executives needs to be market competitive and must be linked to clear and objective corporate performance outcomes which deliver value creation for shareholders.

Talent, diversity and inclusion

The JSE remains committed to attracting, developing and retaining a diverse workforce. Diversity and inclusion are important JSE values and are key to value creation as diversity of thought and perspectives enhance corporate performance outcomes.

Each year Group Remco sets aside one meeting on the annual calendar for a comprehensive review of the JSE's talent management processes and plans, and engages in detail on the development objectives for executives and their senior staff. Group Remco pays particular attention to diversity as part of this review, and tests progress against the JSE's employment equity plan. Building a strong talent pipeline is a multiyear endeavour with the fruits of this work only evident over time. Significant progress has been achieved during the past two years through deliberate and thoughtful management actions, and this was clearly evident in the review conducted by Group Remco in July 2021.

During the course of 2021 two new appointments were made at executive committee level. Vuyo Lee was appointed Director: Marketing & Corporate Affairs, while a new role of chief operating officer was created and has been filled by Itumeleng Monale. Group Remco exercises oversight on the appointments made by the Group CEO to the executive committee.

Subsequent to the period under review:

- Palesa Ntoagae was appointed as Director: Human Resources to fill the vacancy in this role.
- Aarti Takoordeen (CFO and executive director) announced her resignation and has been appointed as CFO at another listed company effective 1 June 2022.
- Hendrik Kotze (CIO) retired from the JSE.

The quality of the management teams in place in the Finance and Technology divisions provides a strong degree of continuity and ensures operational resilience. Group Remco will exercise oversight of the appointments to these two senior executive roles, with a final decision on the CFO role resting with the Board.

Pay parity

The principle of *equal pay for work of equal value* is a foundational element of the JSE's reward structure. During 2021, as part of its commitment to ensuring pay parity across the organisation, Group Remco engaged Bowmans to examine JSE pay data and provide the committee with a detailed analysis of any disparities in employee remuneration.

I am pleased to confirm that there is a limited degree of pay disparity between comparable employees (analysed by job grade, performance rating and tenure). In specific instances where adjustments were merited, Group Remco approved pay parity adjustments to TGP for 2022, which in aggregate amounted to R3.9 million (or 0.94% of payroll). This amount was included within the overall approved payroll lift of 5% for 2022. In keeping with our commitment to fair and responsible remuneration, the JSE will undertake regular checkpoints in future to ensure fairness and integrity within the JSE's pay model.

BACKGROUND STATEMENT continued

Areas of future focus

During 2022 Group Remco will focus on:

- Continued oversight of the JSE's implementation of pay parity in support of fair and responsible remuneration across the Group, particularly in our subsidiaries JSE Clear and JIS
- Developing a strategic retention model and continuing to oversee the JSE's talent management plans and pipeline, and employee value proposition, particularly in a post-COVID-19 world
- Monitoring the effectiveness, productivity and employee response to the JSE's new hybrid way of work
- Reviewing the effectiveness of the new corporate scorecard model and the associated metrics and targets
- Overseeing implementation of the PBITI model for the annual bonus scheme
- Considering whether to introduce an element of deferral for annual incentives
- Monitoring compliance with the revised MSR policy for all executives
- Reviewing the total reward framework and any additional enhancements that might be required post-AGM
- Maintaining the dialogue with our institutional shareholders on remuneration matters to promote alignment with stakeholder requirements

Remuneration governance

The JSE's remuneration governance is prescribed by the Companies Act, King IV Code, JSE Listings Requirements and Group Remco's terms of reference.

Sound remuneration governance provides shareholders with the assurance that the JSE's remuneration philosophy and policies translate into remuneration outcomes that are closely linked to Group performance. The Board and Group Remco apply independent judgement in developing appropriate remuneration models and in evaluating and approving remuneration outcomes.

During the year, Phuthuma Nhleko was appointed to the Board as independent non-executive director and chairman designate. He also joined Group Remco and we look forward to his on-going contribution to the work of the committee.

I am grateful for the wisdom and insights shared by committee members during the course of the year, and for the time devoted to what has been an extended agenda in 2021.

Group Remco composition and attendance in 2021

Group Remco members*	Meeting attendance	
	Number	%
VN Fakude (Chairman)	5/5	100
IM Kirk	5/5	100
BJ Kruger	5/5	100
N Nyembezi	5/5	100
P Nhleko (appointed 1 July 2021)	3/3	100

Independence of committee: 100%

Other invitees	Meeting attendance
Group CEO	5/5
Director: Human Resources	5/5
Group Company Secretary	5/5

* All members of the committee are independent non-executive directors.

Support for AGM Resolutions

In accordance with the provisions of the King IV Code and the JSE Listings Requirements, our remuneration policy and the implementation report are tabled annually for separate non-binding advisory votes by shareholders at each AGM.

At the AGM held in June 2021 the Group's remuneration policy and implementation report for 2020 received strong support from shareholders with a majority votes in favour of 89.6% and 89.2%, respectively. At the same AGM, the proposal in respect of non-executive emoluments was also adopted by shareholders with a majority vote in favour of 98.5%. We are grateful for this support.

Looking ahead to our upcoming AGM to be held on Tuesday, 3 May 2022, we will present our remuneration policy and implementation report for 2021 (as set out in this remuneration report) for consideration by shareholders. Group Remco and the Board are of the view that the JSE's remuneration policy remains sound and aligned with the overall remuneration philosophy of the Group. In particular, we are of the view that the refinements to the policy as set out in the policy statement on pages 10 to 26 will enhance the performance measurement process within the JSE and strengthen the linkage between variable pay and performance whilst addressing the retention of top performers by improving potential reward outcomes for outstanding performance.

To the extent that either the remuneration policy resolution or the implementation report resolution, or both, are voted against by 25% or more of the voting rights exercised at a shareholder meeting, the Board will engage with shareholders.

BACKGROUND STATEMENT continued

In addition to the advisory resolutions, we will also present two special resolutions relating to remuneration at the AGM to be held on Tuesday, 3 May 2022:

- Special resolution number 3 for approval of specific financial assistance to directors in connection only with the operation of the LTIS 2018 Trust
- Special resolution number 4 for approval of non-executive director emoluments for 2022

Special resolution number 3 is presented to shareholders on a biennial basis (and was most recently adopted at the AGM in May 2020 with a 99.26% vote in favour). By adopting special resolution number 3 the JSE LTIS 2018 Trust will be able to acquire in the open market the required number of JSE ordinary shares on behalf of the LTIS 2018 participants to satisfy the requirements of LTIS 2018 and to otherwise fund the on-going operations of the JSE LTIS 2018 Trust in administering our long-term share scheme. No changes to the LTIS 2018 rules or the Trust Deed are being proposed, and the quantum of financial assistance remains similar to past years.

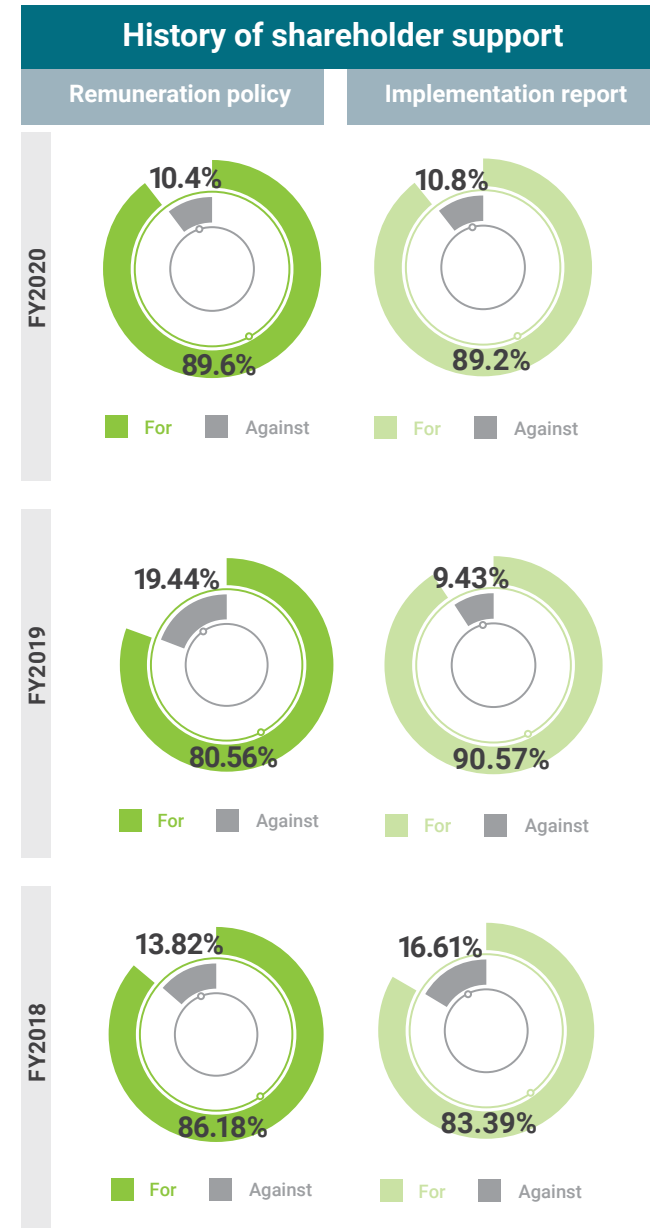
Special resolution number 4 is presented to shareholders in accordance with Section 66(9) of the Companies Act, which requires that remuneration payable to directors in respect of their services as directors must be approved by special resolution of shareholders. Our fee model for non-executive directors remains unchanged, and encompasses a single annual retainer, reflective of the role and responsibilities discharged by a non-executive director. The role of a non-executive director, especially within financial services companies, extends substantially beyond attendance at meetings. Emoluments should therefore be a function of Board and Board committee membership rather than a reward for attending meetings. We are proposing an overall 5.8% year-on-year increase to these emoluments for shareholder approval.

Group Remco is satisfied that the JSE’s remuneration policy (and the proposed changes) are aligned with the overall remuneration philosophy, and that the existing policies have been implemented with diligence and sound judgement, and have achieved their stated objectives for the year under review.

I trust that this remuneration report provides the salient information on our remuneration policy and its implementation in 2021 to inform your vote. Our AGM in May 2022 is being held via a virtual platform so as to enable the widest possible participation by shareholders. I look forward to that engagement at the AGM and to your support for the JSE’s remuneration proposals.



Nolitha Fakude
Chairman: Group Remuneration Committee



REMUNERATION POLICIES

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The JSE's remuneration philosophy and policy governs the remuneration of executive management (executive directors and prescribed officers) and other employees. We are committed to observing the concept of fair and responsible remuneration for executive management in the context of overall employee remuneration.

Remuneration philosophy

Remuneration is structured in a fair and reasonable manner, recognising individual contributions and collective results. There is a clear differentiation between executives and employees based on line-of-sight responsibility, accountability, competencies, work performance and scarcity of skills.

Inherent in this philosophy is the linkage between performance and short and long-term remuneration (both at an individual and corporate level).

In order to drive a pay-for-performance approach, there is also an increasing element of variable pay at senior management levels.

We aim to:

- Align pay to performance against corporate strategy
- Promote a culture that supports innovation, enterprise and the execution of Group strategy
- Align the interests of employees with attaining profitable (and sustainable) long-term growth of the business for the benefit of all stakeholders
- Offer an equitable remuneration mix that attracts, motivates and retains the appropriate calibre of executives and employees

Our remuneration philosophy accounts for:

- Reality of the JSE's size and its significant role in the South African financial sector
- Nature of the business, its risk profile, the competitive environment and financial affordability
- Balancing of rewards with the funding of capital to maintain and grow the JSE, dividend payments to shareholders and payments to wider society (through taxation and corporate social responsibility)

REMUNERATION POLICIES¹⁴

Our remuneration policies are approved by Group Remco and the Board, and set out how total reward must be managed within the Group. This policy statement is subject to a non-binding advisory vote at the AGM.

REMUNERATION POLICIES continued

Our philosophy creates sustainable value as it is:

Aligned with **stakeholder interests**

Congruent with strategic **priorities** and **values**

Linked to corporate and individual **performance**

Competitive with market norms and benchmarks

Transparent and understandable

Fair and responsible remuneration

POLICY: *The JSE applies the principle of equal pay for work of equal value, and commissions an annual independent pay parity analysis to inform adjustments to TGP.*

The JSE remains committed to attracting, developing and retaining a diverse workforce. This is a particularly important JSE value and is key to value creation as diversity of thought and perspectives enhances corporate performance outcomes.

The principle of *equal pay for work of equal value* is a foundational element of the JSE's reward structure. The JSE adheres to various practices in support of this principle:

- Pay structuring
 - TGP pay is determined based on clear role descriptions with grading validated by an independent remuneration advisor.
 - Pay levels and annual TGP adjustments are benchmarked against independent market data.
 - Employees earning less than R350 000 per annum receive above-inflation adjustments to TGP.
 - Overall pay ratios between executives and other employees are considered when determining annual TGP increases.
 - Annual pay parity analysis is conducted by Group Remco's independent advisor to identify any unjustifiable income disparities (including race, gender, performance and tenure), and anomalies are subject to adjustment.
- Career development
 - The JSE invests in employees through career pathing, talent mapping and providing skills development opportunities to promote progress within the JSE.
- Financial literacy
 - The JSE provides financial education, debt counselling and training on basic financial skills to assist employees in avoiding over-indebtedness.

This remuneration philosophy is expressed through a comprehensive remuneration policy, supported by specific remuneration practices.

REMUNERATION POLICIES continued

Remuneration model

POLICY: Our remuneration model comprises three elements – TGP, annual incentives and long-term incentives - these are linked to corporate and individual performance over the relevant measurement periods to ensure that high levels of pay are awarded only for high performance and where there is sustained value creation for shareholders.

Element	Fixed pay	Variable pay	
	Total guaranteed pay and benefits	Annual incentives	Long-term incentives
Characteristics	<ul style="list-style-type: none"> Set around median for the specific role Based on the premise of <i>equal pay for work of equal value</i> Provides a guaranteed level of earnings 	<ul style="list-style-type: none"> Payable for the financial year Rewards high performance Linked to corporate financial performance, delivery of strategic priorities and personal performance 	<ul style="list-style-type: none"> Payable in respect of sustained corporate performance over multi-year periods Attract and retain high-performing talent and critical and scarce skills Create an “ownership culture” among senior employees Measured against pre-set financial and strategic targets
Component	<ul style="list-style-type: none"> Basic salary Defined contribution pension plan Medical aid benefits 	<ul style="list-style-type: none"> Discretionary cash bonus scheme 	<ul style="list-style-type: none"> Share scheme LTIS 2018 share scheme to retain executives and senior staff who have line of sight to strategic outcomes Cash scheme Critical skills scheme to retain senior staff with scarce or critical skills
Purpose	<ul style="list-style-type: none"> Compensate employees for work performed Attraction and retention 	<ul style="list-style-type: none"> Reward employees for the specific financial year’s corporate financial performance, delivery of strategic priorities and personal performance Attraction and retention 	<ul style="list-style-type: none"> LTIS 2018: Incentivise corporate performance and long-term shareholder value creation Critical skills cash scheme: Retention of senior employees with scarce or critical skills
Eligibility	<ul style="list-style-type: none"> All employees 	<ul style="list-style-type: none"> All employees 	<ul style="list-style-type: none"> LTIS 2018: Senior leadership group involved in strategic decision-making Critical skills cash scheme: Key employees with scarce or critical skills (that do not participate in LTIS 2018)

REMUNERATION POLICIES continued

Element	Fixed pay	Variable pay	
	Total guaranteed pay and benefits	Annual incentives	Long-term incentives
How the pay is set	<ul style="list-style-type: none"> Structured on a total cost to company basis Benchmarked against independent market data Reflects scope and depth of role, experience required, level of responsibility and individual performance <div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <p>Benchmarks Financial services industry and general corporate benchmarks are used to determine competitive guaranteed pay levels for all roles. The REMchannel™ database is used with input from independent specialists to ensure all roles are correctly sized and graded as part of the salary benchmarking process.</p> <p>The policy aims to move base salaries towards median, although cost considerations sometimes do not allow this. In certain instances – either for historical reasons or to retain scarce skills – salaries above median are paid.</p> </div>	<ul style="list-style-type: none"> Group Remco determines the discretionary bonus pool based on its assessment of annual corporate performance Individual bonus awards are linked to seniority, individual performance and contribution to corporate performance <p>Performance is rewarded as follows:</p> <ul style="list-style-type: none"> Group CEO receives a discretionary bonus cash award of up to 200% of TGP based on Group Remco performance assessment Exco members receive discretionary bonus cash awards of up to 150% of TGP based on performance as assessed by the Group CEO and subject to Group Remco oversight Employees rated as ‘top performers’ receive discretionary bonus cash awards of between 16% and 50% of TGP Employees rated as ‘meeting expectations’ receive a discretionary bonus cash award of approximately one month’s TGP 	<ul style="list-style-type: none"> LTIS 2018 are annual awards of JSE ordinary shares; future vesting is linked to corporate performance measured over three and four years Critical skills cash scheme is an annual cash award up to 25% of the participant’s annual salary; future vesting is linked to continued employment and performance measured over a two-year period
Performance hurdle	Not applicable	<ul style="list-style-type: none"> Fully discretionary based on Group Remco assessment of annual corporate performance Discretionary bonus pool is only awarded if pre-set financial and strategic targets are achieved (see corporate performance assessment for 2021 on pages 30 to 31) 	<ul style="list-style-type: none"> LTIS 2018: continued employment and achievement of corporate performance targets Critical skills cash scheme: continued employment, JSE’s overall corporate performance and individual performance

REMUNERATION POLICIES continued

Element	Fixed pay		Variable pay	
	Total guaranteed pay and benefits	Annual incentives	Long-term incentives	
Global limits	Not applicable	<p>As from 2022 the annual bonus pool determined as a percentage of PBITI with a pre-set range of outcomes:</p> <ul style="list-style-type: none"> • 7% – 8% of PBITI for below-target performance • 8% – 10% of PBITI for on-target performance • +10% of PBITI for above-target performance <p>The final determination of the quantum of the bonus pool rests with Group Remco</p>	<ul style="list-style-type: none"> • Aggregate cash cost of all LTIS 2018 share awards and Critical Skills cash awards may not exceed 10% of the prior year's PBITI 	
Deferral	Not applicable	<ul style="list-style-type: none"> • No deferral of annual bonus awards • When a portion of the bonus pool is paid in JSE Limited ordinary shares, the shares vest within 12 months of year-end 	<ul style="list-style-type: none"> • LTIS 2018: shares vest over three and four years • Critical skills cash scheme: cash awards vest over two years 	
Malus and clawback	Not applicable	Applicable as from 2022	Applicable	
Link between remuneration and Group performance (📄 page 23 for new annual corporate scorecard model for 2022 and 📄 pages 30 to 31 for corporate performance assessment for 2021)	Not applicable	<ul style="list-style-type: none"> • Deliver on the financial, operational and strategic targets as set out in the corporate scorecard • As from 2022 a new corporate scorecard model applies with weighting, metrics and targets for each element of the scorecard 	<p>LTIS 2018</p> <ul style="list-style-type: none"> • Return on equity (ROE) • Growth in earnings (HEPS) • Relative total shareholder return (TSR) • Strategic metrics 	

REMUNERATION POLICIES continued

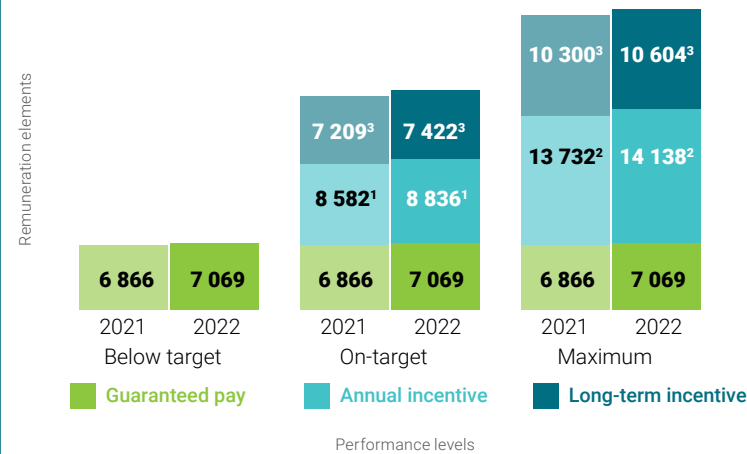
Pay mix and potential remuneration

POLICY: Pay mix varies with seniority, with an increasing element of variable pay at senior levels.

The Group CEO and Exco members have the largest proportion of total annual package being subject to performance hurdles. This is intended to create a significant degree of alignment with shareholder interests, with the aim of driving sustainable value creation over a longer-term horizon.

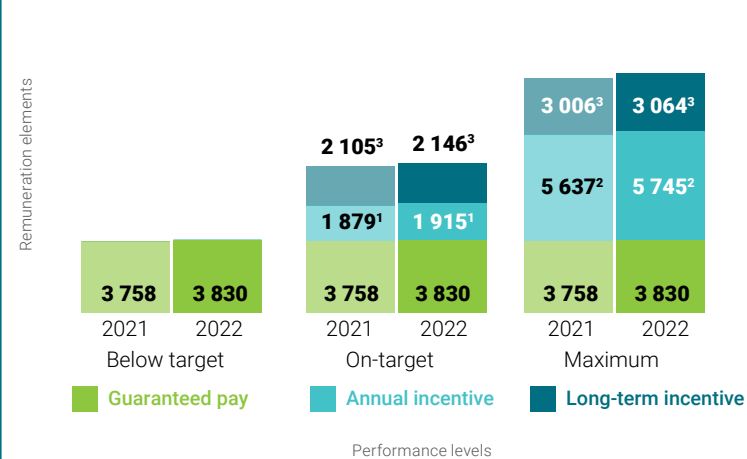
The graphs depict the potential pay mix of the Group CEO (L Fourie) and CFO (A Takoordeen) for 2021 and 2022, in line with the remuneration policy. The graphs represent the potential outcomes for below target, on-target and maximum performance levels.

Group CEO: Theoretical pay for 2021 and 2022 (R'000)



¹ The on-target discretionary bonus cash award is equivalent to 125% of guaranteed pay.
² The maximum discretionary bonus cash award is equivalent to 200% of guaranteed pay, and can be supplemented with an award of JSE Limited ordinary shares at the discretion of Group Remco for exceptional corporate performance in any year.
³ The Group CEO receives an annual allocation of JSE Limited ordinary shares equivalent to 150% of guaranteed pay, which award is subject to corporate performance measured over the subsequent three and four years. On-target performance over this measurement period equates to 70% of these shares vesting. Maximum performance over this measurement period equates to 100% of these shares vesting. The values in this graph are based on grant value.

Group CFO: Theoretical pay outcomes for 2021 and 2022 (R'000)



¹ The on-target discretionary bonus cash award is equivalent to 50% of guaranteed pay.
² The maximum discretionary bonus cash award is equivalent to 150% of guaranteed pay.
³ The CFO receives an annual allocation of JSE Limited ordinary shares equivalent to 80% of guaranteed pay, which award is subject to corporate performance measured over the following three and four years. On-target performance over this measurement period equates to 70% of these shares vesting. Maximum performance over this measurement period equates to 100% of these shares vesting. The values in this graph are based on grant value.

REMUNERATION POLICIES continued

Total guaranteed pay (TGP)

Total guaranteed pay (TGP) serves as compensation for work performed and is:

- linked to clear role descriptions;
- based on the principle of *equal pay for work of equal value*;
- benchmarked against independent market data in order to pay at market median, and validated by the JSE's independent remuneration advisors; and
- reviewed annually for all staff, with adjustments applicable from 1 January each year.

Financial services industry and general corporate benchmarks are used to determine competitive guaranteed pay levels for all roles. The REMchannel™ database is used for benchmarking.

Annual increases cater for inflation adjustments, grade changes and pay parity adjustments where applicable, as well as merit increases for top performers. Any unjustifiable income disparities (including race, gender and tenure) are subject to adjustment.

Overall pay ratios between executives and other employees are also considered when determining annual salary increments.

Group Remco considers annual TGP adjustments in November each year, with adjustments applicable from January in line with the JSE's financial year.

Annual incentives

The JSE operates a single universal annual bonus scheme. All permanent staff are eligible to participate in the scheme, with senior staff subject to higher levels of variable pay.

For 2022 Group Remco has adopted:

- A more rigorous performance scorecard model (see [page 23](#))
- A more explicit linkage between overall corporate performance outcomes and the determination of the annual bonus pool based on a percentage of PBITI, the pre-set range being:
 - 7% – 8% of PBITI for below-target performance
 - 8% – 10% of PBITI for on-target performance
 - +10% of PBITI for above-target performance

Long-term incentives

POLICY: The JSE operates two long-term incentives intended to retain senior staff and incentivise sustained value creation over longer-term time horizons:

- LTIS 2018 share incentive scheme for executives and senior staff (who have line of sight to and responsibility for delivering the JSE's strategic agenda)
- Critical Skills cash scheme for senior staff (who have scarce and critical skills and fulfil key technical, operational or support roles at the JSE)

A senior staff member may participate in either long-term scheme but not both.

LTIS 2018

The LTIS 2018 scheme was approved by shareholders at the AGM held in May 2018. The scheme is a full-value, performance share scheme. Scheme participants receive an award of JSE Limited ordinary shares on an annual basis. Vesting of the awards is linked to continued employment (or be a "good leaver" as defined) and the JSE achieving corporate performance targets over each vesting period. Scheme participants have immediate beneficial ownership from the date of the award, but subject to restrictions.

Share awards are forfeited if either the employment requirement or the corporate performance targets are not met. All participants are subject to malus and claw-back provisions in respect of awards granted under LTIS 2018. For more detail, refer to the remuneration model on [page 12](#).

In order to make the share awards, the LTIS 2018 Trust acquires a specific number of JSE Limited ordinary shares in the open market on behalf of participants. The Trust is funded by the JSE and there is no fresh issue of shares (nor any gearing).

Special resolution number 3 is presented to shareholders on a biennial basis (and was most recently adopted at the AGM in May 2020 with a 99.26% vote in favour). By adopting special resolution number 3 the JSE LTIS 2018 Trust will be able to acquire in the open market the required number of JSE ordinary shares on behalf of the LTIS 2018 participants to satisfy the requirements of LTIS 2018 and to otherwise fund the ongoing operations of the JSE LTIS 2018 Trust in administering our long-term share scheme.

REMUNERATION POLICIES continued

The LTIS corporate performance metrics are designed to incentivise management to pursue balanced, sustainable growth in shareholder value with due regard for the JSE’s wider responsibilities to the South African financial markets. A basket of four metrics was selected by Group Remco and endorsed by the Board, which metrics are aimed at driving earnings growth, encouraging an optimal balance sheet structure, generating returns for shareholders and focusing management on strategic business development objectives.

Group Remco is mindful of the schemes’ dilutive effect and that they represent a transfer of value from shareholders to employees (as would any incentive scheme). Accordingly, various limits apply to the schemes in order to restrict the size of awards, both in aggregate and to individual participants.

<p>Earnings growth (HEPS) Return on equity (ROE)</p>	<p>Threshold, on-target and above-target levels for each annual allocation are determined by the Group Remco. These targets are specifically set at levels that recognise the JSE’s wider responsibilities to the financial markets, and take into account the business cycle and medium-term outlook. HEPS targets require average earnings growth of CPI plus a premium. ROE targets are based on a premium over cost of capital.</p>
<p>Total shareholder return (TSR)</p>	<p>JSE TSR performance is measured against the growth in the capped SWIX index over the vesting period.</p>
<p>Strategic metrics</p>	<p>Targets aimed at transformational business efforts. The strategic targets vary for each annual allocation. This allows Group Remco to focus management’s attention on fundamental strategic actions that might not have an immediate financial payoff but are nevertheless critical to future business success, long-term financial performance and value creation for stakeholders.</p>

Vesting

Each share award vests in two tranches – 50% vests over three years and 50% over four years. Performance metrics are identified and disclosed at grant date, with automatic forfeiture should targets not be achieved, and with no retesting in subsequent periods. Vesting takes place on a straight-line basis between the threshold and above target levels.

The Board remains satisfied that a three to four-year vesting horizon is appropriate for the JSE business and is in line with competitive practice in South Africa.

<p>LTIS 2010/2018 limit</p>	<p>Description</p>
<p>Aggregate limit: number of shares</p>	<p>Over any rolling four-year period, dilution may not be more than 2.5% of issued share capital.</p>
<p>Aggregate limit: cash cost</p>	<p>The Board is mindful of the cash cost of the scheme, and exercises discretion on the cash cost of each aggregate annual allocation. The aggregate rand value of awards is limited to no more than 10% of prior year’s PBITI (previously 10% of NPAT)</p>
<p>Annual award individual limit</p>	<ul style="list-style-type: none"> • Group CEO allocation limit of 150% of TGP • Exco allocation limit of 80% of TGP • Senior employee allocation limit of 45% of TGP <p>There have been no changes to these individual allocation percentages since inception of the LTIS 2018 scheme in May 2018.</p>

REMUNERATION POLICIES continued

Allocations granted to date under LTIS 2018

Four allocations have been awarded to date under LTIS 2018, with Allocation 4 awarded in March 2021. These allocations vest over three and four-year horizons, based on continued employment by the scheme participants and the achievement of corporate performance targets. These corporate performance are summarised in the table below. Changes in the performance targets over time are determined by Group Remco and reflect expected changes in the economic outlook. Group Remco considers independent advice from its advisors, PwC Reward and Bowmans when making these adjustments to performance targets.

Assessment criteria	ROE (average over vesting term)	HEPS (average over vesting period)	TSR	Strategic metric
Non-discretionary	Non-discretionary	Non-discretionary	Non-discretionary	Group Remco discretion
Weighting	40%	20%	10%	30%
Allocation 1 (awarded 2018; measurement to Dec 2020 and Dec 2021)				
Threshold target	16%	CPI+1%	Median	Deliver a future-fit JSE assessed against various requirements relating to culture, structure and operations
On-target	21.63%	CPI+2.88%	65th percentile	
Maximum	25%	CPI+4%	Upper quartile	
Weighting	45%	20%	10%	25%
Allocation 2 (awarded 2019; measurement to Dec 2021 and Dec 2022)				
Allocation 3 (awarded 2020; measurement to Dec 2022 and Dec 2023)				
Threshold target	16%	CPI	Equal to average growth in capped SWIX ¹	Deliver a future-fit JSE assessed against various requirements relating to culture, structure and operations.
On-target	20%	CPI+1.71%	Straight line between threshold and above target	
Maximum	23%	CPI+3%	At least one standard deviation over average historical return in capped SWIX	
Allocation 4 (awarded 2021; measurement to Dec 2023 and Dec 2024)				
Threshold target	16%	CPI	Equal to average growth in capped SWIX ¹	Deliver market data strategy and the medium-term business cases for JIS and Globacap
On-target	18.28%	CPI+1.71%	Straight line between threshold and above target	
Maximum	20%	CPI+3%	At least one standard deviation over average historical return in capped SWIX	

Critical skills cash scheme

The critical skills cash scheme has no impact on issued scheme capital dilution and is not intended to increase the overall cash cost of the JSE's LTI schemes beyond the 10% of PBITI guideline.

¹ Capped version of the all share index.

REMUNERATION POLICIES continued

Minimum shareholding requirement

POLICY: A minimum shareholding in JSE Limited shares must be maintained by executives whilst in the employ of the JSE.

Key features of this minimum shareholding requirement (MSR) policy:

- Applies to executive directors and prescribed officers of the JSE.
- Shares must be held in own name, and unvested share awards under any long-term incentive scheme may not be included.
- Structured as a percentage of total guaranteed pay (TGP), which translates into a number of JSE shares to be held by the executive from year to year.
- Percentage of TGP to be held in shares is linked to the award multiples under the LTIS 2018 scheme from time to time:
 - CEO: 150% of TGP
 - Prescribed officers: 80% of TGP
- A rolling compliance period applies, being five years from the date that a long-term share award granted to an executive vests for the first time in the hands of the executive.
- Executives must steadily increase their shareholdings across the compliance period as share awards vest in their hands, being 20% of the MSR percentage per annum for the five years of the compliance period.
- Where an executive does not meet the MSR at the end of the rolling compliance period, there is mandatory deferral of 100% of all future vesting of long-term share awards into the MSR until compliance is achieved.
- A separate arrangement applies to the Group CEO during the initial term of her service contract, given that the first share awards granted to the CEO will only vest for the first time from 2023.

Changes in policy

During 2021 Group Remco reviewed and revised the MSR policy, which changes are applicable for 2022:

- Now applicable only to executives rather than all LTIS participants
- MSR percentages aligned to the share award percentages applicable to executives – that is, the quantum of the MSR to be held by an executive is the same as the annual share award granted to the executive
- A rolling compliance period introduced
- Clarified the requirement to steadily build up a shareholding over the compliance period
- Sanction introduced for not meeting the MSR

Outside appointments

POLICY: *Employees are not entitled to accept outside Board appointments to any listed company so as to avoid any real or perceived conflict of interest. They are, however, entitled to accept appointments to non-listed public or private companies or non-governmental organisations, where the time commitment is reasonable and subject to the prior approval of the Group CEO, or the chairman of the JSE Board (in respect of any appointments relating to the CEO). Fees earned from such non-executive appointments are payable to the JSE.*

Malus and clawback

POLICY: All annual and long-term incentive awards are subject to malus and clawback provisions.

Malus means the adjustment to an award of variable remuneration, such as an annual bonus or long-term incentive, before it has vested. Clawback means the recovery of variable remuneration which has already been paid.

The trigger events for the application of malus or clawback in respect of JSE variable remuneration include:

- Material failure or error that was caused by or ought reasonably to have been prevented by management
- An event or facts that negatively impacted the JSE in a material manner that was caused by or ought reasonably to have been prevented by management
- Gross negligence or fraudulent behaviour
- Participant received performance counselling during the retention period

Any of the above events can lead to forfeiture of annual cash bonus awards, long-term critical skills awards or long-term share awards prior to vesting, or repayment after vesting as per the terms and conditions of the relevant incentive award.

Changes in policy

During 2021 Group Remco reviewed and revised the malus and clawback policy, which changes are applicable for 2022:

- Now applicable to all incentive awards, including annual cash bonus awards, long-term critical skills cash awards and long-term share incentive awards

REMUNERATION POLICIES continued

Service contracts

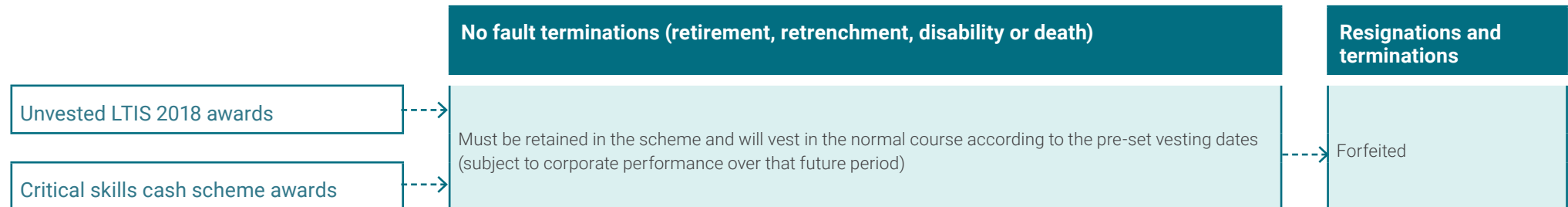
POLICY: All executives are employed on standard employment agreements, not fixed-term contracts. A specific service contract applies for the role of Group CEO.

These employment agreements provide for a notice period of three months and entitle the employee to standard JSE benefits and participation in the JSE's short and long-term incentive schemes, subject to the rules of these schemes from time to time.

There is a shorter notice period for executives who are dismissed following the results of disciplinary proceedings. There are no contracted balloon payments payable to executives upon termination.

Employees are required to retire at age 65.

Annual incentives are not subject to deferral. The treatment of deferred elements of long-term incentives in the event of terminations, are highlighted in the table below.



No additional provisions exist for a change of control of the JSE, save for the termination of employment in accordance with the prevailing JSE policy.

Details of the service contract for the Group CEO and the employment contract for the CFO are set out overleaf.

REMUNERATION POLICIES continued

Group CEO service contract¹⁰

The Group CEO is the only employee with a specific service contract. The contract contains a six-month notice period and a one-year restraint of trade.

The agreed restraint of trade precludes the Group CEO from being engaged by any stock exchange, bond or futures market, or any clearing house, depository or stock-broking business carried on in South Africa for a period of one year from the date of termination. Group Remco is of the view that this restraint is fair and reasonable in order to protect the strategic proprietary interests of the JSE. The restraint of trade was settled in JSE Limited shares which will vest only if the restraint is exercised by the JSE at the end of the CEO's employment with the JSE.

Summary of remuneration structure

Guaranteed pay

- Graded as Patterson F-Band
- Benchmarked against independent market data (REMchannel™ data for financial services)
- Structured on a cost-to-company basis and comprises basic salary and pension plan and medical aid contributions
- Provides a guaranteed level of earnings

Implementation of this remuneration structure for the Group CEO in 2021 is set out in the Implementation report (see [page 37](#) on executive director performance)

Annual incentive

- Participates in the discretionary bonus scheme
- Performance is assessed annually by Group Remco against corporate scorecard and personal objectives
- Group Remco's performance assessment of Group CEO is endorsed by the Board
- Awards are payable in cash, calculated as a percentage of guaranteed pay
- Performance levels:
 - Below target: discretion applied from 0% to 125%
 - On-target: 125%
 - Above-target: discretion applied from 125% to 200%
 - Maximum: 200%
- For exceptional corporate performance in any year, the discretionary bonus award may be scaled beyond 200% of annual guaranteed pay, subject to the size of the discretionary bonus pool with the percentage over 200% payable in JSE Limited ordinary shares
- No deferral of awards

Minimum shareholding requirement (MSR) for CEO

- MSR policy for executives requires an executive to hold shares in JSE Limited in own name
- For the Group CEO this shareholding in own name must equal 150% of guaranteed remuneration and must be held within five years of the first vesting of shares under the JSE's LTIS 2018 scheme
- As a new employee, the Group CEO will not have any LTIS 2018 share awards vesting until Q1 2023
- Accordingly a specific MSR arrangement applies to the Group CEO:
 - must accumulate JSE share in own name to an amount of not less than R3m by December 2022, and
 - must retain all shares vesting in 2023 in respect of her first award under LTIS 2018 in support of her MSR (after settling any tax due from the proceeds of the vesting event in 2023)

Long-term incentive

- Participates in LTIS 2018
- Share awards granted annually at 150% of guaranteed pay
- Awards vest over three and four-year time horizons subject to continued employment and meeting pre-set corporate performance targets measured over the vesting period
- No retesting of performance
- Share awards are forfeited if performance conditions not achieved (the first share awards, which were granted to the Group CEO in 2020, will vest in 2023 subject to corporate performance measured over that vesting period)

REMUNERATION POLICIES continued

CFO employment agreement

The CFO is employed on a standard employment agreement, not a service contract. Her notice period is three months and she is subject to a one-year restraint of trade (post-termination of employment), at the election of the JSE.

The restraint of trade was included in the employment contract in 2016. In return for agreeing to the restraint provision in 2016, the CFO received an award of restraint shares equivalent to 80% of guaranteed pay in that year. These restraint shares have vested subject to corporate performance over the period 2016 to 2018, which has been assessed at 50.15%. The balance of the restraint shares were forfeited.

Summary of remuneration structure

Total guaranteed pay

- Graded as Patterson E-Band
- Benchmarked against independent market data (REMchannel™ data for financial services)
- Structured on a cost-to-company basis and comprises basic salary and pension plan and medical aid contributions
- Provides a guaranteed level of earnings

Annual incentive

- Participates in the discretionary bonus scheme
- Linked to individual performance and contribution to corporate performance as assessed by the Group CEO
- Awards are payable in cash, calculated as a percentage of guaranteed pay
- Performance levels:
 - Below target: discretion applied from 0% to 50%
 - On-target: discretion applied from 50% to 100%
 - Above-target discretion applied from 100% to 150%
 - Maximum: 150%
- No deferral of awards

Minimum shareholding requirement (MSR) for CFO

- MSR policy for executives requires an executive to hold shares in JSE Limited in own name
- For the CFO this shareholding in own name must equal 80% of guaranteed remuneration and must be held within five years of the date that a share allocation vests for the first time in the hands of the CFO
- The sanction for not meeting the MSR requirement at the end of the five-year compliance period is a mandatory 100% deferral of future vesting into the MSR until the requirement is met
- During the five-year compliance period the CFO is required to steadily increase her shareholding (20% of the MSR percentage per annum for the five years of the compliance period)
- No MSR applies post-employment with the JSE, and there are no extended holding periods applicable

Long-term incentive

- Participates in LTIS 2018
- Share awards granted annually at 80% of total guaranteed pay
- Awards vest over three and four-year time horizons subject to continued employment and meeting pre-set corporate performance targets measured over the vesting period
- No retesting of performance
- Share awards are forfeited if performance conditions not achieved
- Unvested share awards are forfeited where a participant leaves the employ of the JSE (resignation/dismissal) but are retained where a participant retires/is retrenched

Implementation of this remuneration structure for the CFO in 2021 is set out in the Implementation report (see [page 38](#) on executive director performance)

REMUNERATION POLICIES continued

**Performance measurement –
Scorecard 2022**

POLICY: Group Remco has adopted a new scorecard format with weightings, metrics and targets which applies for 2022

To enhance our performance measurement process, and with input from our shareholder engagements in 2021, we have reformulated the annual scorecard to more closely align to our strategic priorities and address all our material matters. These strategic priorities address:

- market disruptions to the JSE's core business and diversifying into or acquiring new growth market segments and leveraging opportunities;
- operational resilience in relation to building robust and scalable systems, operations and a competitive business model; and
- operational stability and efficiencies in our cost base, knowledge management and systems.

Weighting have been assigned to each element of the 2022 scorecard.

Specific metrics and targets have been identified for each of the four strategic priorities, and these are categorised into:

- On-target performance level
- Above-target performance level
- Performance modifiers (issues that will negatively impact the annual performance rating)

Group Remco will apply the new scorecard and performance methodology for the 2022 year with the aim of linking STI rewards for 2022 more closely to specific performance levels delivered during the financial year.

The Group scorecard for 2022 was approved by the Board in November 2021 and is articulated in the accompanying table.

Strategic priorities 2022

Generate sustained, high-quality earnings
(weighting: 45%)

Protect and grow our core business
(weighting: 20%)

Transform our business
(weighting: 20%)

Partner for a sustainable marketplace
(weighting: 15%, split equally between talent/stakeholders and sustainability)

Group scorecard¹ 2022

On-target deliverables for FY2022:

1. Balanced operating leverage on reported results.
2. Reported HEPS growth over the prior reporting year.
3. Reported NPAT margin of 26% to 28%.
4. Reported return on equity (ROE) range of 17% to 18%.

On-target deliverables for FY2022:

1. Overall annual operational/systems stability of 99.7% (SLA to the market).
2. Overall number of material P1 incidents (whether technology, business or data related).²
3. Commence the asset class migration in line with the project plan approved by the Board (excludes BDA).

On-target deliverables for FY2022:

1. Meet the acquisition business case targets for JIS and Globacap and the proposed business targets for 2022.
2. Drive the 2026 market data strategy:
 - Finalise execution plan, architecture, and operating model for the 2026 market data strategy.
 - Deliver phase 1 of the market data lake in the cloud with all Equity Market data sets.
 - Launch the Equity Market execution analytics platform.
3. Progress core products and services.
4. Implement the SME Accelerator platform.

On-target deliverables for FY2022:

1. Talent and stakeholders:
 - Achieve an employee culture engagement score in line with the financial services industry average for 2022.
 - Maintain or improve the customer NPS compared with the 2021 score.
 - Operate successfully using a hybrid working model (measured through an employee engagement survey).
 - Minimise attrition rate for critical talent as agreed by the Board.
2. Sustainability:
 - Maintain a Level 2 BBBEE scorecard rating.

¹ The Group CEO is assessed by the Group Remuneration Committee (GRC) based on both the performance of the JSE against the 2022 corporate scorecard and on the impact of the Group CEO's leadership on the JSE.

² The GRC agreed on the number of priority 1 incidents and the precise definition of a priority 1 incident in 2022.

REMUNERATION POLICIES continued

Non-executive director emoluments

POLICY: *Non-executive director emoluments take the form of an annual retainer, reflective of the role and responsibilities discharged by a director, and are not related to the number of meetings attended. The role of a non-executive director extends substantially beyond attending meetings, with directors accountable for the strategic direction of the company and its overall governance and results. Emoluments proposed for 2022 are in line with the approved policy and are subject to shareholder approval at the AGM to be held on Tuesday, 3 May 2022.*

Board chairman	→ Paid a single annual retainer that encompasses the responsibility for leading the Board and serving on various Board committees. The Board chairman also chairs the Group Nominations Committee.
Board committee chairmen	→ Paid a premium set at twice the fee for a committee member, as compensation for the additional responsibilities and time commitment expected of their roles. The premium for the Group Audit Committee chairman is up to 2.5 the retainer paid to a member of the Group Audit Committee.
Lead independent director	→ Paid a premium of 30% of the annual non-executive director retainer.

Non-executive directors do not receive short-term incentives or participate in the JSE's long-term incentive schemes. There are no provisions for emoluments or other payments in respect of loss of office.

The JSE has an elective policy relating to non-executive director shareholdings, in terms of which Board members are encouraged to hold JSE Limited ordinary shares to the value of their annual Board retainer. However, there is no mandatory minimum shareholding requirement for non-executives.

Out-of-pocket expenses, such as travel and accommodation costs, incurred by non-executive directors in the execution of their responsibilities are reimbursed on request.

Recommendations regarding non-executive director emoluments are informed by independent market data provided by the JSE's independent remuneration advisors, PwC Reward. Group Remco also takes into account the complexity, responsibility, time commitment and risk inherent in membership of the JSE Board and the various Board committees when preparing a recommendation for Board consideration and shareholder approval. Group Remco is satisfied that the fee structure for the JSE's non-executive directors remains appropriate.

Implementation of the non-executive fee model in 2021 is set out in the Implementation report (see [page 42](#))

Non-executive director fee benchmarks

Group Remco has selected the FTSE/JSE Financial Index as an appropriate industry index. It benchmarks the emoluments against those of the constituent companies in the index after excluding investment holding companies, property companies and dual-listed companies from the comparator group, given their very different business models from that of the JSE.

Although the JSE is a medium-sized financial services organisation, it fulfils a unique role in the economy as a self-regulatory organisation and as a market place for capital formation. The JSE seeks to appoint and retain non-executive directors that are able to contribute in a meaningful way to the direction and oversight of the Group's affairs, and competes for the same non-executive talent with other regulated financial services companies. In the view of Group Remco, it is therefore appropriate and necessary that the JSE should use a comparator group incorporating major South African financial services groups. The JSE seeks to set non-executive director emoluments at the median of the peer group.

Comparator group for non-executive director fee benchmarking

Alexander Forbes Group Holdings Limited	Liberty Holdings Limited
Barclays Africa Group Limited (now ABSA Group Limited)	MMI Holdings Limited
Capitec Bank Holdings Limited	Nedbank Group Limited
Coronation Fund Managers Limited	PSG Group Limited
Discovery Limited	Sanlam Limited
FirstRand Limited	Santam Limited
	Standard Bank Group Limited
	Transaction Capital Limited

REMUNERATION POLICIES continued

For the 2022 year

Group Remco is responsible for recommending to the JSE Board the emoluments to be paid to JSE non-executive directors for their services as directors (as defined).

The JSE Board is required, in accordance with sections 66(8) and 66(9) of the Companies Act, 2008, to present a special resolution outlining the proposed emoluments, for approval by shareholders at intervals not exceeding two years.

Looking ahead to 2022, Group Remco reviewed a benchmarking proposal for non-executive emoluments, supported by independent data, and settled on a recommendation to the JSE Board for an increase to the emoluments for 2022. In determining this recommendation for 2022 the Group Remco:

- made no changes to the peer group against which these emoluments are benchmarked, as the committee was of the view that the peer group remains relevant for this benchmarking exercise (see page 24 for peer group constituents);
- targeted an incremental adjustment to the retainers for the chairmen and members of the Group Audit Committee and Group Risk Management Committee so as to reflect the increasing importance of these roles;
- noted that fees payable to a non-resident non-executive director will be computed at the approved ZAR rate (same as the rate for all other directors) and paid in the relevant foreign currency on a quarterly basis, using the average foreign exchange rate for the calendar quarter for which the fees are due;
- maintained the 2x ratio in respect of the retainers for committee chairmen and committee members in line with the existing JSE non-executive emoluments policy, save for the Group Audit Committee where JSE policy provides that this ratio should be closer to 2.5x the retainer paid to Audit Committee members; and
- sought to align the JSE's proposed fees for 2022 with the median of the peer group (aiming for a compa-ratio within 80% – 120% of median for all non-executive roles) – the proposed adjustment for 2022 will result in a 90% compa-ratio to the peer group.

Based on the above benchmarking exercise, the Board and Group Remco are of the view that emoluments for 2022 ought to be increased by an overall 5.8% on average, which will bring the emoluments payable to the JSE's non-executive directors to 90% of the median of the peer group companies.

	Existing fees for 2021 ZAR	Proposed fees for 2022 ZAR
Board Chair	2 500 00	2 650 000
Board Member	425 000	450 000
Lead Independent Director	127 500	135 000
Group Audit Committee		
Committee chairman	440 000	470 000
Member	200 000	215 000
Group Risk Management Committee		
Committee chairman	370 000	400 000
Member	185 000	200 000
Group Remuneration Committee		
Committee chairman	320 000	330 000
Member	160 000	165 000
Group Sustainability Committee		
Committee chairman	260 000	270 000
Member	130 000	135 000
Group SRO Oversight Committee		
Committee chairman	320 000	330 000
Member	160 000	165 000
Group Nominations Committee		
Member	85 000	100 000
Ad hoc or Advisory Committees		
<i>Ad hoc fee</i>	30 000	30 000
<i>Year-on-year overall proposed increase in fees 2022/2021: 5.8%</i>		
<i>New standing committee for 2022</i>		
Group Investment Committee		
Committee chairman	–	330 000
Member	–	165 000

The Board has therefore resolved, on the recommendation of Group Remco, to propose for approval special resolution number 4, at the AGM to be held on Tuesday, 3 May 2022, authorising the payment of emoluments to the non-executive directors for their services as directors in 2022, in accordance with the existing all-inclusive fee model, together with the payment of VAT to the extent applicable. The resolutions being proposed to shareholders at the AGM are set out in the notice of AGM, available at www.jse.co.za

REMUNERATION POLICIES continued

Remuneration governance

POLICY: *The Board and Group Remco are responsible for developing appropriate remuneration policies, models and practices and for determining remuneration outcomes in accordance with these policies and practices.*

Board

- Sets the overarching remuneration philosophy for the Group
- Approves the remuneration policy
- Submits the remuneration policy and implementation report to two non-binding advisory votes by shareholders at every AGM
- Submits a proposal on non-executive director emoluments for approval by special resolution of shareholders at every AGM
- Appoints the members and chairman of Group Remco

Group Remco

Terms of reference: A formal Board-approved terms of reference is in place¹. There were no changes to the terms of reference during 2021.

Philosophy: Ensures that the JSE consistently, throughout the Group, adheres to a remuneration philosophy based on enduring principles of fairness, transparency, competitiveness and reward for performance actually delivered.

Policy: Ensures that remuneration policies and practices, and the implementation of those, directly support the achievement of the Group's strategy and business goals, to the ultimate benefit of shareholders and other stakeholders.

Judgement: Exercises discretion in such a way that the best interests of stakeholders are served and the appropriate calibre of management and employees are attracted, motivated and retained, rather than simply applying formulaic prescriptions.

Implementation: Determines the structure and level of remuneration for executive management, assesses corporate and Group CEO performance over relevant measurement periods, and approves all annual incentives for executives and share allocations and vesting of share awards under the Group's share incentive schemes.

Committee effectiveness: Group Remco performance was assessed as part of the overall annual Board performance self-review for 2021. The Board confirmed that the Group Remco has discharged its mandate and the responsibilities delegated to it during 2021.

Composition: Comprises a minimum of three non-executive directors of the JSE, appointed by the Board. The committee is required to meet a minimum of three times each calendar year. No members of the Group Remco may have any day-to-day involvement in the management of the JSE. As at 31 December 2021, the committee comprised five independent non-executive directors.

Management involvement: The Group CEO and the director of human resources attend Group Remco meetings by invitation. Other senior management members attend meetings from time-to-time as required. The Group Company Secretary attends all Board committee meetings. No individual, irrespective of position, is present when their remuneration is discussed.

¹ For terms of reference, refer www.jse.co.za.

IMPLEMENTATION REPORT

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Applying our remuneration philosophy

KEY OUTCOME: *The approved remuneration policies have been applied consistently in 2021*

The Board, working through Group Remco, seeks to ensure that total remuneration paid by the Group is aligned with the JSE's value-creating strategies, is sustainable and meets the legitimate expectations of stakeholders.

Within this philosophy, Group Remco aims to apply the approved remuneration policy and the associated practices so that executive remuneration is fair and reasonable within the context of the Group's overall remuneration.

This implementation report sets out the details and key outcomes of the remuneration paid in 2021.

IMPLEMENTATION REPORT ¹⁴

We seek to deliver financial performance that generates competitive returns and creates long-term value for shareholders over time – our resilient performance in 2021 has contributed towards this goal. This implementation report is subject to a non-binding advisory vote at the AGM.

IMPLEMENTATION REPORT continued

Fair & responsible remuneration

KEY OUTCOME: *Equal pay for equal work principle is reflected in the JSE's pay outcomes for 2021 – this was evident from a pay parity review undertaken by the JSE's independent remuneration advisor. In the limited instances where pay disparities were noted, Group Remco approved specific adjustments to TGP for 2022 where merited*

As part of its commitment to pay parity, Group Remco engaged Bowmans during the year under review to examine JSE pay data to determine whether there were any disparities in employee remuneration on the basis of impermissible grounds, which include race and gender, when comparing employees on the basis of permissible differentiating factors, which include job grade, performance and tenure.

The independent analysis performed by Bowmans reflects the average TGP of employees who have the same job grade, performance rating and tenure, and then calculates the ratio of each employee's TGP compared to the average of employees in the same category ("comparable employee ratios"). The averages of all employees' comparable employee ratios are tabulated below by race and gender.

Gender	Race				
	African	Coloured	Indian	White	All
Female	99%	99%	98%	103%	100%
Male	100%	102%	99%	105%	101%
Both	99%	100%	99%	104%	

This analysis (using Job Grade x Performance rating x Tenure for all permanent employees) confirms that there is a limited degree of pay disparity when comparable employees are considered.

Group Remco reviewed the detailed analysis presented by Bowmans and determined that adjustments to TGP should be made to achieve pay parity in specific individual cases (for grades below the executive committee). Accordingly, for 2022 the committee included a pay parity adjustment in the annual TGP adjustments where merited. The aggregate parity adjustments for 2022 amounted to R3.9 m or 0.94% of payroll, and this was included within the overall approved payroll uplift of 5% for 2022.

Pay parity reviews by the JSE's independent remuneration advisors will be performed on an annual basis to ensure integrity within the JSE's pay model.

Pay ratios	2021	2020	2019
CEO – TGP	6 866 000	6 600 000	5 777 000
Lowest grade – TGP	392 802	384 000	366 000
Pay ratio	17.5x	17x	16x
All grades – median TGP	965 000	880 000	832 763
Pay ratio	7.1x	8x	7x
CEO – TGP & incentives	16 666 000	16 500 000	13 500 000
All grades – median TGP & incentives	1 048 675	956 429	912 427
Pay ratio	15.8x	17x	15x

IMPLEMENTATION REPORT continued

Guaranteed remuneration adjustments

KEY OUTCOME: Annual adjustments to TGP are in line with inflation outlook and linked to independent benchmarking for executive roles

Adjustments to guaranteed pay approved by Group Remco were as follows:

For years commencing	2019	2020	2021	2022
All eligible staff	6.5%	5.5%	4.5%	5%

During 2021 Group Remco reviewed the structure and policy relating to TGP. The committee received advice and input from its remuneration advisors, PwC and Bowmans on the grading and benchmarking of executive roles, as well as on the application of pay parity and fair pay policies.

Adjustments to TGP for 2021 were as follows:

- Overall uplift to payroll was limited to an effective 4.5% year-on-year increase (2021/2020)
- This overall uplift to payroll was inclusive of all adjustments to executive roles
- TGP adjustments for staff ranged from 4% - 4.5% per annum linked to individual performance delivered in 2020
- TGP adjustments for executives were linked to independent benchmarking and individual performance delivered in 2020:
 - **Group CEO:** 4% annual adjustment
 - **CFO:** 3% annual adjustment
 - **Prescribed officers:** Adjustments to TGP ranged between 0% and 4% based on independent benchmarking of roles

Looking ahead to 2022, Group Remco determined that adjustments to TGP should be as follows:

- Overall uplift to payroll to be limited to an effective 5% year-on-year increase (2022/2021)
- This overall uplift to payroll would be inclusive of all adjustments to executive roles and pay parity adjustments where required for relevant staff
- TGP adjustments in 2022 for staff would range from 3.5% - 4.5% per annum linked to individual performance delivered in 2021
- TGP adjustments for 2022 for executive directors would be linked to independent benchmarking and individual performance delivered in 2021:
 - **Group CEO:** 3% annual adjustment
 - **CFO:** No annual adjustment to base pay as TGP exceeds 120% of benchmark (a non-pensionable once-off payment of 2% of TGP is payable instead for 2022)
 - **Prescribed officers:** Adjustments to TGP between 0% and 9% based on independent benchmarking of role

IMPLEMENTATION REPORT continued

Corporate performance 2021




KEY OUTCOME: Group Remco considered the evidence supporting management's self-assessment and rated overall corporate performance for 2021 as "on-target"

- Our corporate scorecard for 2021 included initiatives to address all our material matters. Our strategic priorities for 2021 formed the basis of the corporate scorecard for 2021 which was approved by Group Remco and the Board.
- At year-end, management's self-assessment of strategic delivery for 2021 was interrogated by Group Remco. Each scorecard element was assessed as achieved by Group Remco, with an overall performance rating of "on-target".
- Although Group Remco did not assign specific weightings to each scorecard deliverable, financial performance does contribute materially to the scorecard assessment and the self-assessment directly informs the size of the discretionary bonus pool for 2021. Following engagement with institutional shareholders in 2021, a fresh approach to performance measurement is being implemented for 2022 (see Background statement on [page 5](#)).

Strategic priorities for 2021	Corporate scorecard ¹ for 2021	Summary self-assessment and comment	Performance metrics
Partner to co-create for inclusive and sustainable growth and reduce equity market dependence.	<ul style="list-style-type: none"> • Deliver financial performance in line with the 2021 budget. • Progress our inorganic growth strategy. • Progress relevant products and services across the value chain. • Complete onboarding of acquisitions. 	<ul style="list-style-type: none"> • Delivered financial performance in line with budget. • Globacap transaction delivered in 2020, JIS minorities bought out, and Investec Share Plans unit integrated into JIS. • Various new products delivered, including iceberg functionality; delayed publication on block trades; transition bonds; and actively managed certificates. • JIS well integrated in the Group. 	<p>ON-TARGET to ABOVE-TARGET PERFORMANCE</p> <p>Refer to the CEO's review on pages 17 to 19 and 23 for performance highlights and the CFO's review on page 44 for performance metrics of the integrated annual report.</p>
Run trusted markets, products and services by ensuring market quality, settlement assurance, governance, operational availability and resilience.	<ul style="list-style-type: none"> • Maintain our operational resilience and invest in information security readiness. • Migrate BDA mainframe. • Implement independent clearing house (ICH) operating model, subject to any regulatory delays. 	<ul style="list-style-type: none"> • Operated our markets remotely throughout 2021 in line with SLAs while delivering significant improvements. This was achieved despite two outages in the Cash Equities and Derivatives Markets. • Implemented improvements for the BDA system that rejuvenated the hardware platform and reduced systemic risk. • Submitted JSE Clear's application for licensing as an ICH to the regulator. 	<p>ON-TARGET PERFORMANCE (moderated by two outages)</p> <p>Refer to the technology chapter on pages 72 to 75 of the integrated annual report.</p>

¹ The Group CEO is assessed by the GRC based on both the performance of the JSE against the 2021 corporate scorecard and on the impact of the Group CEO's leadership on the JSE.

IMPLEMENTATION REPORT continued

Strategic priorities for 2021	Corporate scorecard ¹ for 2021	Summary self-assessment and comment	Performance metrics
<p>Enhance the stakeholder experience through collaborative value creation and the highest quality of service delivery.</p>	<ul style="list-style-type: none"> Maintain or improve our customer NPS. Maintain our regulatory relationships. 	<ul style="list-style-type: none"> Fundamental positive shift in client engagement reflected in highest NPS to date. Solid relationships with the Financial Services Conduct Authority and Prudential Authority. There were extensive onsite engagements throughout 2021 and no unresolved regulatory matters. 	<p>WELL-ABOVE-TARGET PERFORMANCE</p> <p>Refer to the NPS details on  page 24 and 128 to 133 of the integrated annual report.</p>
<p>Attract and retain diverse top talent that enables an exchange of knowledge to support a transition from the markets of today to the markets of tomorrow.</p>	<ul style="list-style-type: none"> Maintain or improve our GIBS Ethics Barometer rating. Build our bench strength. Implement hybrid working model (subject to National Disaster Protocol). 	<ul style="list-style-type: none"> Significant improvement in Ethics Barometer scores across all dimensions. Clear progress in strengthening key talent pipeline, with action plans delivered. Core building renovations complete, and core technology installed to support hybrid working. 	<p>ABOVE-TARGET PERFORMANCE</p> <p>Refer to the employee engagement survey on  page 131 of the integrated annual report.</p>
<p>Lead by example on the national agenda and promote South Africa as a global investment destination by partnering with the public and the private sector.</p>	<ul style="list-style-type: none"> Lead on the sustainability agenda. Broaden SA Tomorrow's reach. Maintain a Level 2 BBBEE score. 	<ul style="list-style-type: none"> Extensive engagement locally and internationally through the Financial Sector Climate Risk Forum, the United Nations GISD co-chair role, the SSE Climate Disclosure co-chair role, and the JSE's sustainability showcase days. Commitment to net zero announced and the JSE's ESG and climate disclosure guidance published in November. A virtual SA Tomorrow programme delivered to South-East Asia, the Middle East and the United Kingdom for the first time in 2021, together with the traditional New York programme. 	<p>WELL-ABOVE-TARGET PERFORMANCE</p> <p>Refer to the  online sustainability report.</p>

¹ The Group CEO is assessed by Group Remco based on both the performance of the JSE against the 2021 corporate scorecard and on the impact of the Group CEO's leadership on the JSE.

IMPLEMENTATION REPORT continued

Annual incentives awarded for 2021

KEY OUTCOME: *Discretionary bonus pool of R72.3 million awarded for 2021 (a decline of 5% on the bonus pool of R76 million awarded in 2020)*

In terms of the JSE's approved remuneration policy for 2021, the maximum amount that may be awarded in annual short-term incentives is limited to 10% of that year's NPAT. The JSE's financial performance in any given year is a key determinant, but not the sole factor, in determining the final quantum of the discretionary bonus pool.

Group Remco determined that management and staff had delivered an on-target corporate performance for 2021 under challenging operating conditions. All pre-set scorecard targets had been achieved, notably with financial performance better than the approved budget for 2021 (although down 6% year-on-year on reported results).

Group Remco awarded a discretionary bonus pool of R72.3 million (2020: R76 million) reflecting the overall quality of the corporate performance. This translates into a bonus pool of 10% of NPAT (2020: 9.7%) which is within the Group's policy guideline of 10% of NPAT for the size of the discretionary bonus pool. No bonus shares were awarded for the 2021 year, and all discretionary bonus awards were payable in cash. This is equivalent to 7.3% of PBITI under the proposed new funding model for the discretionary bonus (to be applied from 2022 subject to policy approval at the AGM to be held in May 2022).

IMPLEMENTATION REPORT continued

Long-term incentives vesting in 2021

KEY OUTCOME: Share awards granted in 2018 vested in 2021 at 42.93% based on performance against the corporate metrics (ROE, Earnings growth, relative TSR and strategic performance over the vesting period) – the balance of these share awards were forfeited

By design, the LTIS 2010 scheme (now closed) and the new LTIS 2018 scheme approved by shareholders in 2018 are structured for on-target vesting of 70% (with the size of the original award being calibrated to account for this expected 70% vesting).

This means that on average over the life of these schemes, 70% of the share awards ought to vest if management achieves on-target performance against the pre-set corporate performance metrics.

LTIS 2018 Allocation 1 vesting based on corporate performance measured over three financial years 2018 - 2020

Measure	Weighting	Target range for metric	Actual performance against metric for vesting period	Score for metric (0 – 100%)	Weighted score for metric
ROE	40%	Average ROE of 16% – 25%	20.2%	57.33%	22.93%
Earnings growth	20%	Compound annual growth in earnings of CPI +1% to CPI +4%	-2.86%	0%	0%
TSR	10%	Medium to upper quartile performance against peer group	-1.18%	0%	0%
Strategic metric	30%	Revenue-enhancing initiatives	Below-target delivery	66.7%	20%
Vesting percentage for LTIS 2018 Allocation 1(1)					42.93%

Allocation 1(1) vested at 42.93% with the balance of the shares (57.07% of the Allocation) being forfeited.

Corporate performance drives the vesting of the LTIS 2018 share awards:

- ROE performance over the vesting period was 20.2% – this translated into a weighted score of 22.93% (57.33% of the shares linked to this ROE metric vested, with the balance forfeited).
- Earnings growth declined over the vesting period and therefore all shares linked to this metric were forfeited.
- JSE Limited total shareholder return did not meet the threshold level for vesting and therefore all shares linked to this metric were forfeited.
- Group Remco assessed that this metric has being partly achieved (66.7% of the shares linked to this strategic metric vested, with the balance forfeited).
- All participants are subject to the same vesting percentages as set out in these vesting tables.
- ROE is stated as average ROE pa over the relevant vesting periods.
- Earnings growth is stated as CAGR over the relevant vesting periods.
- TSR is measured against a financial services peer group (see sidebar on this page).

Comparator group for TSR performance assessment

ABSA Group Limited
 ASX
 BMF Bovespa
 Bursa Malaysia
 Capitec Bank
 Discovery
 FirstRand
 Investec Limited
 Investec Plc
 Liberty Holdings
 London Stock Exchange Group
 Nedbank Group
 Old Mutual
 PSG Group
 Reinet Investments
 RMB
 Sanlam
 Santam
 Sasfin Holdings
 Standard Bank Group
 TMX Group
 Zurich Financial

IMPLEMENTATION REPORT continued

Long-term incentives awarded in 2021

KEY OUTCOME: Allocation 4 under the LTIS 2018 scheme was granted in 2021 in accordance with the incentive plan rules, with one adjustment to the financial targets for this Allocation - Group Remco reduced the ROE target in light of the challenging market conditions expected over the future vesting period

During the course of 2021 Group Remco endorsed the following corporate metrics for Allocation 4 (under the LTIS 2018 scheme) as a reasonable and balanced basis for measuring management's contribution to future performance over the performance period 2021 - 2024.

Performance metrics	Return on equity capital	Earnings growth	TSR	Strategic metric
Weighting	45%	20%	10%	25%
Measurement basis	Average annual return on equity (ROE) for JSE Group against JSE cost of capital	Average growth in JSE Group HEPS vs average CPI	JSE TSR against FTSE/JSE Capped SWIX All Share total return	Specific to Allocation
Threshold vesting target	16% average annual ROE over measurement period	Average annual growth in HEPS not less than average growth in CPI over the measurement period	JSE TSR performance not less than the average growth in Capped SWIX over measurement period	Drive revenue growth and diversification
On-target vesting target	18.28% average annual ROE over measurement period (straight line basis)	Average annual growth in HEPS of CPI + 1.71% (straight-line basis)	JSE TSR performance on straight line basis between threshold and full performance targets	<ul style="list-style-type: none"> deliver on the growth initiative in market data extract value from the two acquisitions already concluded by JSE, being JIS and Globacap
Full performance vesting target	20% average annual ROE over measurement period	Average annual growth in HEPS of CPI + 3%	JSE TSR performance not less than one standard deviation over average historical return in Capped SWIX	
Nature of metric	Quantitative (no discretion on waiving target)	Quantitative (no discretion on waiving target)	Quantitative (no discretion on waiving target)	Qualitative (discretion by Group Remco in assessing performance)

IMPLEMENTATION REPORT continued

Return on Equity (ROE) – weighted at 45%

Group Remco has re-affirmed the importance of applying a “return on” metric (specifically ROE) as it forces attention on delivering a return from the capital / assets invested in the firm and has a direct linkage to shareholder value creation.

ROE is calculated on an average basis across the relevant measurement term for each annual share allocation and is assessed against the company’s weighted average cost of capital (WACC) and historic ROE performance. The application of ROE is simple and transparent, and performance is easily tracked. In the event that the JSE introduces gearing in future, Group Remco will consider applying return on invested capital (ROIC) as an alternative measure of financial operating performance for the LTIS scheme metric.

ROE performance is calculated on a Group basis as the simple average of the annual ROEs for the relevant LTIS measurement period and is compared to the pre-agreed target range.

Group Remco noted that the JSE faces a challenging and uncertain economic outlook and a low-growth operating environment over the measurement period of Allocation 4 (being financial years 2021 - 2024). Accordingly, the committee moderated the target range for ROE performance:

Existing target range

16% - 23% average ROE growth

New target range for Allocation 4

16% - 20% average ROE growth

Historical ROE performance (three-year averages)

2015A	2016A	2017A	2018A	2019A	2020A	2021A
28.4%	30%	29%	25.9%	21.8%	20.2%	18%

Earnings growth – weighted at 20%

Group Remco has re-affirmed the importance of the need to grow earnings over time, and that growth in Group headline earnings per share (HEPS) remains an appropriate and representative measure of annual earnings growth. HEPS growth accounts for the full annual performance as reflected in the income statement (rather than only earnings before interest and tax) and incorporates any dilutionary impacts.

HEPS growth is assessed **over** the measurement period, on an average rather than on a compound basis (that is, the growth in HEPS is calculated using a simple average of the annual growth rates for each year of the vesting term) to fairly reflect the intra-period performance by management and avoid the negative impact of a high-base year during the vesting term. CPI remains the yardstick against which to measure HEPS growth to ensure that shareholders receive value in excess of their opportunity cost of investing elsewhere.

Group Remco determined that no changes to the existing target range for earnings growth were required for Allocation 4:

Existing target range

CPI to CPI + 3%

No change to target range for Allocation 4

CPI to CPI + 3%

Historical HEPS growth (three-year averages)

2015A	2016A	2017A	2018A	2019A	2020A	2021A
29.96%	19.08%	12.32%	1.08%	-7.73%	-0.64%	-4.67%

Total shareholder return (TSR) – weighted at 10%

Group Remco re-affirmed the importance of including a relative metric within the basket of corporate metrics for assessing long-term performance. Relative TSR rather than absolute TSR has been selected – this means that JSE’s TSR performance is evaluated against a specific peer group or against a relevant index – the intention with this metric is to introduce a degree of performance comparability rather than relying solely on JSE financial metrics.

For Allocation 4 the JSE’s TSR is compared to the performance of a total return index (being the FTSE/JSE Capped SWIX All Share index) over the vesting period of each Allocation. Previously the JSE’s TSR was calculated, and the outcome ranked against the TSR performance of a peer group determined by Group Remco (being the FINI index constituents together with five selected international exchanges).

Strategic metric – weighted at 25%

The strategic metric is intended to incentivise multi-year transformational change over the relevant vesting period of each LTIS Allocation.

The strategic target usually includes 2 – 3 discrete transformational elements rather than a single deliverable. The strategic metric is by definition discretionary in nature, which means that there is always an element of judgement exercised by Group Remco when assessing performance against the target (and there is no guarantee that full vesting (that is, above target performance) will be approved in any vesting year.

Input from institutional shareholders in 2021 indicated the need to successfully on-board, integrate and extract value from the acquisitions already made by the JSE. There ought also to be a link to the JSE’s corporate strategy to enhance revenues through its market data strategy. These strategic thrusts are intended to drive revenue growth and diversification (rather than being a cost optimisation strategy).

The strategic target for Allocation 4 is intended to focus on these two discrete elements over the measurement periods (FY2021 – FY2023/FY2024):

1. delivering on the growth initiative in market data; and
2. extracting value from the two acquisitions already delivered (JIS and Globacap).

IMPLEMENTATION REPORT continued

Compliance with MSR by executive directors

KEY OUTCOME: *Group CEO is on track to comply with MSR over term of her initial service contract, while CFO is compliant with her MSR obligation as at end 2021*

Compliance with the revised MSR policy by executive directors was as follows:

- Group CEO: On track for compliance with policy. Must hold JSE Limited shares to the value of R3 million in own name by end 2022 prior to first vesting of shares under the LTIS 2018 scheme in Q1 2023. Currently holds 12 000 shares in own name and must acquire shares to the value of R1.7 million by end 2022 to meet the policy requirement.
- CFO: Compliant with policy. Must hold 80% of TGP in JSE Limited shares (being an amount of R3 million) by end 2021. As at 31 December 2021 held 27 410 JSE shares in own name to the value of R3.1 million.

Application of malus and clawback in 2021

KEY OUTCOME: *No malus or clawback events occurred in 2021*

Group Remco considered whether any of the threshold events for invoking malus and clawback had been triggered in respect of the (vested or unvested) short or long-term incentives for 2021.

The committee concluded that no trigger events had occurred, and that the malus and clawback conditions were not applicable to the long-term share incentive awards for 2021.

IMPLEMENTATION REPORT continued

Executive director performance



Leila Fourie (53)

Group CEO
(Executive director)

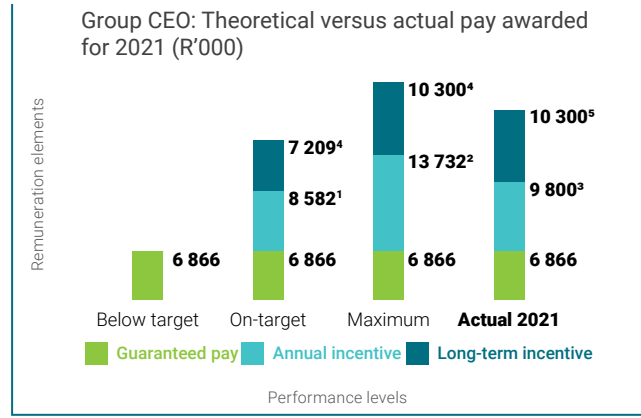
Dr Leila Fourie
Group Chief Executive Officer
Appointed October 2019

The JSE Group CEO is accountable for:

- shaping and executing the Group’s strategies;
- overseeing operations;
- delivering financial performance that creates enduring value in line with the Group’s return on equity and earnings targets;
- driving the JSE’s environmental, social and governance (ESG) initiatives; and
- leading the executive team and our stakeholder engagements.

These executive responsibilities map to the JSE’s corporate scorecard for 2021. Although each dimension of the scorecard is not individually weighted, the Group Remco placed particular emphasis on **financial outcomes, leadership engagements, driving strategic outcomes, delivering on the inorganic growth strategy and sustainability** – and the CEO’s specific impact in each of these areas – when assessing Leila’s performance in 2021.

Leila’s contribution and delivery of key outcomes across each element of the JSE’s scorecard, especially such a challenging year, is recognised by Group Remco. This is evident not only in the strategy pivot, and the progress in driving the growth strategy, but also in how these achievements have been delivered.



¹ The on-target discretionary bonus cash award is equivalent to 125% of guaranteed pay (or R8.5 million).
² The maximum discretionary bonus cash award is R13.7 million (200% of guaranteed pay).
³ Based on the performance assessment by Group Remco, Leila was awarded a discretionary bonus of R9.8 million for 2021 (2020: R9.9 million), equivalent to 143% of TGP (2020: 150%) which is 70% of the maximum award (2020: 75%).
⁴ The Group CEO receives an annual allocation of JSE Limited ordinary shares equivalent to 150% of guaranteed pay, which is subject to corporate performance measured over the subsequent three and four years. On-target performance over this measurement period equates to 70% of these shares vesting. Maximum performance over this measurement period equates to 100% of these shares vesting. The values in this graph are based on grant value.
⁵ No share awards vested in the hands of the CEO in 2021. This amount of R10.3 million represents the grant value of the shares awarded in 2021 (in accordance with policy at 150% of guaranteed remuneration). These are restricted shares and will only vest in three and four years if corporate performance targets are achieved. There is no guarantee that the share award will vest – historically our LTIS awards have vested at 73% of grant levels.

Strategic Pivot

Key outcomes have included:

- Decisive steps towards diversification and growing the share of annuity revenue
- Delivered the Globacap investment and completed the buyout of the JIS minorities and the integration of the administration business of Investec Share Plans Services – the economic contribution of these acquisitions offset what would have been a decline in Revenues and EBITDA, and in so doing, demonstrated the effectiveness of the strategy to diversify revenue and reduce cyclical

- Pivoted the JSE’s growth ambitions to focus on adjacent and alternative markets and have initiated the first phase of work on our digital transformation journey
- Championed the ambitions to grow into new markets through the conclusion of the agreement with The China Investment Information Services Limited (a subsidiary of the Shanghai Stock Exchange) to distribute index data in Asia
- Drove the vision to expand our flagship SA Tomorrow conference to include Southeast Asia and the Middle East
- Concluded the agreement to provide for fast-track dual listings with Singapore Exchange
- Refined the Information Services strategy, focused on data architecture, services and digitisation in order to grow the business

Operations

Key outcomes have included:

- Operated our markets remotely throughout 2021.
- 99.85% market availability (2020: 99.97%) – our operational resilience and systems uptime has exceeded our SLA commitments despite two unfortunate incidents in the cash Equities and Derivatives Markets
- Processed the highest-ever trading volumes on the Exchange in August 2021 owing to the Naspers/Prosus share Swap
- Recorded eight priority 1 (P1) IT incidents, which were fewer than in the prior year (2020: nine incidents)
- Migrated and upgraded the BDA mainframe to reduce processing risk across multiple data centre locations related to electricity sustainability
- Upgraded the RTC system infrastructure for the Equity and Currency Derivatives Markets to maintain a modern processing platform
- Enhanced the JSE’s cybersecurity defences, and delivered significant improvements through network segmentation and cyber implementation
- Continued agile and responsive regulation of the primary markets, through extensive engagement with a wide range of regulatory authorities

IMPLEMENTATION REPORT continued

**Financial**

Key outcomes have included:

- A sound financial performance under challenging and turbulent conditions, ending ahead of budget although NPAT was down 6% YOY
- EBITDA flat year on year at just over R1 billion, thanks to the positive contribution of new business lines and a well-managed cost centre
- Direct management action and cost consciousness, with like for like costs declining 2% year on year and total cost growth including the annualised effect of JIS was contained to 4%

**ESG**

Key outcomes have included:

- Led the initiative to publish ESG disclosure guidelines – a priority to ensure we introduce a set of guidelines that draws on international best practice while catering to a local perspective, without adding onerous requirements to the reporting process
- Advancing the JSE's position as an advocate for sustainability – specifically in the area of climate change – and leading the United Nations Global Investors for Sustainable Development (GISD) until end 2024, positioning South Africa and the JSE as a leader on the global stage in financial markets and sustainability
- Served as the UN Sustainable Stock Exchanges Co-Chair alongside David Schwimmer of the LSE
- Cemented our position as a thought leader and built meaningful relationships with leading local industry bodies such as NBI and international standards authorities such as the IFRS Foundation

**Stakeholders**

Key outcomes have included:

- The JSE's NPS score reflects a meaningful shift with record high scores, reflecting the consistent efforts across the business to deepen our client engagement and service ethic
- Strengthening the healthy relationships with JSE regulators
- Maintaining our BEE status at Level 2 while advancing employment equity at Exco and senior levels, and ensuring that our major subsidiary, JSE Investor Services, also reached Level 2

**Aarti Takoordeen (41)****CFO**

(Executive director)

Ms Aarti Takoordeen**Chief Financial Officer**

Appointed February 2013 and resigned effective 20 May 2022

The JSE CFO is accountable for:

- supporting the acquisitions strategy;
- shaping and executing the Group's financial function;
- supporting key controls and governance initiatives; and
- supporting the CEO in stakeholder engagements.

As a member of the executive committee, Aarti's performance is assessed by the Group CEO, while Group Remco provides oversight of the performance assessments undertaken by the CEO of all executives. The assessment of the CFO's specific impact in each relevant business area in 2021 is set out below, together with her remuneration outcomes for the year.

**Strategy**

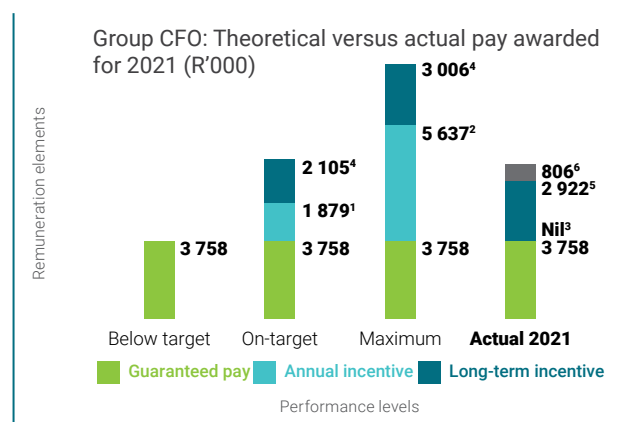
Key outcomes have included:

- Co-led the internal team on possible acquisition targets.
- Provided post-deal support for the Link SA acquisition, and co-led the successful integration of the Link SA business.

**Financial**

Key outcomes have included:

- Provided oversight and leadership of the Group finance function.
- Led cost containment initiative across the Group.



- ¹ The on-target discretionary bonus cash award is equivalent to 50% of guaranteed pay.
- ² The maximum discretionary bonus cash award is equivalent to 150% of guaranteed pay.
- ³ No annual discretionary bonus is payable for 2021 as Aarti was under notice as at the payment date.
- ⁴ The CFO receives an annual allocation of JSE Limited ordinary shares equivalent to 80% of guaranteed pay, which is subject to corporate performance measured over the following three and four years. On-target performance over this measurement period equates to 70% of these shares vesting. Maximum performance over this measurement period equates to 100% of these shares vesting. The values in this graph are based on grant value.
- ⁵ This amount of R2.9 million represents the grant value of the shares awarded in 2021 (in accordance with policy at 80% of guaranteed remuneration). These are restricted shares and will only vest in three and four years if corporate performance targets are achieved. There is no guarantee that the share award will vest – historically our LTIS awards have vested at 73% of grant levels. These performance shares are forfeited upon resignation.
- ⁶ Share awards from the 2018 allocation vested in the hands of the CFO in 2021: R806 000 at an average vesting percentage of 42.93% (balance of the 2018 share award was forfeited based on corporate performance).

IMPLEMENTATION REPORT continued



ESG

Key outcomes have included:

- Supported the SA Schools Challenge, and other initiatives for successful championing of South Africa as an investment destination.
- Supported the development of the small and medium-sized enterprise business case, including commercial insights and guidance on operating model and design.



Stakeholders

Key outcomes have included:

- Facilitated divisional culture programmes (vision, values and JSE Way with Ambassadors).

Long-term incentive scheme 2018

Executive director – Leila Fourie

Summary of restricted unvested shares granted to Group Chief Executive Officer.

Award	Date of award	Vesting date of first tranche	Vesting date of second tranche	Status of award	Grant price (rand per share)	Opening number of unvested shares	Number of shares awarded during the year	Number of shares vested in the year	Number of shares lapsed in the year	Closing number of LTIS 2018 unvested shares	Indicative rand value of unvested shares at share price on 31 December 2021 (R112 per share)	Indicative expected rand value of unvested shares at share price on 31 December 2021 (R112 per share at projected 70% on-target vesting)
Restraint	2019			Unvested	128.49		51 364	Nil	Nil	51 364	5 752 768	4 026 938
Allocation 3	2020	Mar 2023	Mar 2024	Unvested	102.73	51 364	84 570	Nil	Nil	135 934	15 224 608	10 657 226
Allocation 4	2021	Mar 2024	Mar 2025	Unvested	120.71	135 934	82 980	Nil	Nil	218 914	24 518 368	17 162 858

Executive director – Aarti Takoordeen

Summary of restricted unvested shares granted to Chief Financial Officer.

Award	Date of award	Vesting date of first tranche	Vesting date of second tranche	Status of award	Grant price (rand per share)	Opening number of unvested shares	Number of LTIS 2018 shares awarded during the year	Number of LTIS 2018 shares vested in the year	Number of LTIS 2018 shares lapsed in the year	Closing number of unvested LTIS 2018 shares	Indicative rand value of unvested LTIS 2018 shares at share price on 31 December 2021 (R112 per share)	Indicative expected rand value of unvested LTIS 2018 shares at share price on 31 December 2021 (R112 per share at projected 70% on-target vesting)
Allocation 1	2018	Mar 2021	Mar 2022	T1 vested	153.75		16 680	3 580	4 760	8 340	934 080	653 856
Allocation 2	2019	Mar 2022	Mar 2023	Unvested	159.80	8 340	16 710	Nil	Nil	25 050	2 805 600	1 963 920
Allocation 3	2020	Mar 2023	Mar 2024	Unvested	102.73	25 050	24 916	Nil	Nil	49 966	5 596 192	3 917 334
Allocation 4	2021	Mar 2024	Mar 2025	Unvested	120.71	49 966	24 210	Nil	Nil	74 176	8 307 712	5 815 398

IMPLEMENTATION REPORT continued

Directors' and executives' remuneration³

		Defined ¹ contribu- tion	Medical aid ¹ , UIF and other	Total guaranteed pay	Contractual bonus ¹ (includes deferral)	Discre- tionary bonus ^{1,2,4}	Total annual incentives	Total current year remune- ration	Total long-term and other benefits ⁵	Total number of shares granted in the LTIS schemes ⁶	
		Basic ¹ salary R'000	pension plan R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
2021											
L Fourie	CEO	6 555	268	43	6 866	–	9 800	9 800	16 666	–	82 980
A Takoordeen	CFO	3 412	158	188	3 758	–	–	–	3 758	806	24 210
		9 967	426	231	10 624	–	9 800	9 800	20 424	806	107 190
2020											
L Fourie	CEO	6 297	257	46	6 600	–	9 900	9 900	16 500	–	84 570
A Takoordeen	CFO	3 328	153	165	3 646	–	2 100	2 100	5 746	715	24 916
		9 625	410	211	10 246	–	12 000	12 000	22 246	715	109 486
Other key executives – Current year remuneration											
2021											
A Greenwood	Director of Post-Trade Services	3 861	225	72	4 158	–	3 000	3 000	7 158	857	26 008
D Khumalo ¹⁰	Director of Human Resources	2 122	88	36	2 246	–	–	–	2 246	636	–
H Kotze	CIO	3 229	136	130	3 495	–	–	–	3 495	–	22 530
VSM Lee ¹¹	Director of Marketing and Corporate Affairs	2 411	132	42	2 585	–	2 000	2 000	4 585	–	19 988
I Monale ¹²	Chief Operating Officer	3 129	140	143	3 412	3 600	2 300	5 900	9 312	–	23 212
MH Randall	Director of Information Services	3 105	130	107	3 342	–	2 500	2 500	5 842	433	21 538
VJ Reddy	Director Capital Markets	3 360	231	261	3 852	1 750	3 600	5 350	9 202	376	24 824
El Haniff	Managing Director: JSE Investor Services	2 084	175	322	2 581	–	180	180	2 761	–	–
		23 301	1 257	1 113	25 671	5 350	13 580	18 930	44 601	2 302	138 100

IMPLEMENTATION REPORT continued

		Defined ¹ contribution		Contractual			Total current year remune- ration	Total long-term and other benefits ⁵	Total number of shares granted in the LTIS schemes ⁶		
		Medical aid ¹ , UIF and other plan	Total guaranteed pay	Total bonus ¹ (includes deferral)	Discre- tionary bonus ^{1,2,4}	Total annual incentives					
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000		
Other key executives – Current year remuneration											
2020											
JH Burke ⁸	Director of Issuer Regulation	548	38	39	625	7 058	–	7 058	7 683	787	–
A Greenwood	Director of Post-Trade Services	3 669	209	1	3 879	–	2 700	2 700	6 579	760	26 506
D Khumalo	Director of Human Resources	2 727	112	39	2 878	–	2 200	2 200	5 078	507	19 668
H Kotze	CIO	3 104	131	126	3 361	–	2 200	2 200	5 561	–	22 962
Z Luhabe-Morrison ⁷	Director of Marketing and Corporate Affairs	1 391	66	915	2 372	–	–	–	2 372	–	16 060
MH Randall	Director of Information Services	2 816	118	104	3 038	–	2 200	2 200	5 238	202	20 754
VJ Reddy ⁹	Director Capital Markets	2 785	192	232	3 209	1 750	3 000	4 750	7 959	336	23 918
El Haniff	Managing Director: JSE Investor Services	363	40	–	403	–	–	–	403	–	–
		17 403	906	1 456	19 765	8 808	12 300	21 108	40 873	2 592	129 868

Footnotes 1-12 below are applicable to notes 23.1-23.2

¹ Represents short-term employee benefits.

² Discretionary bonuses are subject to both personal performance and the achievement of specific corporate deliverables (per the annual corporate scorecard approved by the Board at the beginning of each financial year). These awards are not subject to deferral, unless otherwise so determined by the Board in any particular year. A portion of the discretionary bonus may be paid in equity, at the discretion of the Group Remuneration Committee.

³ All executive directors and other key executives are full-time employees of JSE Limited.

⁴ CEO's discretionary bonus – cash only.

⁵ Represents the net value (after forfeiture for corporate performance) of share awards granted under provisions of the LTIS 2010 LTIS in 2017 that vested during the current financial year.

⁶ Represents unvested or unsettled shares as at 31 December 2021 (prior year: as at 31 December 2020), granted under the provisions of the LTIS 2018 Long-Term Incentive Schemes in the current year.

⁷ Appointed Director of Marketing and Corporate Affairs effective 1 February 2019, resigned effective 31 August 2020.

⁸ Resigned effective 29 February 2020.

⁹ Appointed Director Capital Markets effective 1 February 2020.

¹⁰ Resigned effective 30 September 2021.

¹¹ Appointed Director of Marketing and Corporate Affairs effective 1 March 2021.

¹² Appointed Chief Operating Officer effective 20 January 2021.

IMPLEMENTATION REPORT continued

Non-executive director emoluments paid in 2021

KEY OUTCOME: Emoluments paid to non-executive directors in 2021 were in accordance with the schedule of fees approved by shareholders at the AGM held on 3 June 2021.

For the 2021 year

At the AGM held in June 2021, shareholders approved (by means of special resolution number 3) the proposed emoluments for 2021. This special resolution was carried with a 98,5% majority vote in favour.

These emoluments paid to directors in 2021 are set out in the table below. The fees paid are reflective of the committee roles held by a director and of the period of service (emoluments are pro-rated to date of resignation and from date of appointment).

		Total R'000	Board member fees R'000	Committee member fees R'000
Non-executive director emoluments				
2021				
Z Bassa	<i>Chairman of Group SRO Oversight Committee</i>	1 130	425	705
MS Cleary		915	425	490
N Fakude	<i>Chairman of Group Remuneration Committee</i>	995	425	570
SP Kana	<i>Lead Independent Director; chairman of Group Audit Committee; chairman of Group Sustainability Committee</i>	1 683	425	1 258
F Khanyile		940	425	515
I Kirk		860	425	435
BJ Kruger	<i>Chairman of Group Deal Committee</i>	1 155	425	730
MA Matookane	<i>Chairman of Group Risk Management Committee</i>	925	425	500
P Nhleko ⁶		733	213	520
NMC Nyembezi	<i>Board Chairman, chairman of Group Nominations Committee</i>	2 500	425	2 075
		11 835	4 038	7 798

IMPLEMENTATION REPORT continued

		Total R'000	Board member fees R'000	Committee member fees R'000
2020				
Z Bassa	Chairman of Group SRO Oversight Committee	1 025	370	655
MS Cleary ¹		833	339	494
F Daniels ²		474	192	281
N Fakude	Chairman of the Group Remuneration Committee	790	370	420
M Jordaan ³		268	185	83
SP Kana	Lead Independent Director; chairman of the Group Audit Committee; chairman of the Group Sustainability Committee	1 501	370	1 131
F Khanyile		851	370	481
I Kirk ⁵		246	93	154
BJ Kruger	Chairman of the Group Deals Committee	943	370	573
DM Lawrence ⁴		485	185	300
MA Matooane	Chairman of Group Risk Management Committee	820	370	450
NMC Nyembezi	Board Chairman, chairman of Group Nominations Committee	2 300	370	1 930
		10 535	3 584	6 951

¹ Appointed 1 February 2020.

² Resigned 8 July 2020.

³ Resigned 25 June 2020.

⁴ Retired 25 June 2020.

⁵ Appointed 1 October 2020.

⁶ Appointed 1 July 2021.

CORPORATE INFORMATION AND DIRECTORATE

JSE Limited

(Incorporated in the Republic of South Africa)
Registration number: 2005/022939/06
Share code: JSE
ISIN: ZAE000079711
LEI: 213800MZ1VUQEBWRF039

Registered office

One Exchange Square
2 Gwen Lane
Sandown, 2196

Postal address

Private Bag X991174 Sandton, 2146

Contacts

Telephone: +27 (0) 11 520 7000
Web: www.jse.co.za
Investor relations: ir@jse.co.za
Group company secretary: GroupCompanySecretary@jse.co.za

Directors as at 31 December 2021

N Nyembezi¹ (Chairman)
Z Bassa¹
MS Cleary¹
VN Fakude¹
Dr SP Kana¹ (Lead Independent Director)
FN Khanyile¹
IM Kirk²
BJ Kruger²
Dr MA Matookane¹
P Nhleko^{1,4} (Chairman designate)
Dr L Fourie (Group CEO)³
A Takoodeen (Group CFO)³

Changes to the Board in 2021

Mr P Nhleko⁴

- ¹ Independent non-executive directors.
² Previously classified as non-executive director (not independent) on account of business relationship that affiliated company has with JSE. Reclassified as independent non-executive director as at 31 December 2021 following completion of cooling-off period since leaving the full-time employ of affiliated company.
³ Executive directors.
⁴ Appointed effective 1 July 2021.

Group company secretary

GA Brookes

Transfer secretary

JSE Investor Services Proprietary Limited
19 Ameshoff Street
Johannesburg, 2001

Sponsor

Rand Merchant Bank (a division of FirstRand Bank Limited)
1 Merchant Place
Corner Fredman and Rivonia Road
Sandton, 2196

AGM scrutineers

The Meeting Specialist Proprietary Limited
One Exchange Square
2 Gwen Lane
Sandown, 2196

Auditors

Ernst & Young Inc.
102 Rivonia Road
Sandton, 2196

Bankers

First National Bank of SA Limited Corporate Account Services
4 First Place
Bank City
Simmonds Street
Johannesburg, 2001

Investor queries should be directed to ir@jse.co.za and will be redirected, where necessary, to the appropriate Board member or executive for a response.

Governance and secretarial queries should be directed to GroupCompanySecretary@jse.co.za

